

# FINAL ANNUAL REPORT 2018/ 2019

“Committed to accountable, responsive & transparent governance”

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## CHAPTER 1: INTRODUCTION AND OVERVIEW

### COMPONENT A:

#### MAYOR'S FOREWORD AND EXECUTIVE SUMMARY: T1.0.1

The Nyandeni Municipality Council has, as part of its development trajectory, adopted 2030 vision which is an overarching Local Development Plan that is aligned to the National Development Plan, Provincial Development Plan and District Development Plan. The vision 2030 identifies key strategic goals and objectives, which guides decision-making and proliferation of socio-economic development.

The 2030 Vision identifies the following priorities and goals which are intended to changes lives of Nyandeni people.



#### Goals

1. **Goal one:** An inclusive, Equitable and growing economy
2. **Goal two:** An educated, innovative Citizenry
3. **Goal three:** A healthy population
4. **Goal four:** Vibrant, cohesive communities
5. **Goal five:** Capable, conscientious and accountable institutions

Alongside the above strategic goals the Vision 2030 identifies the following pillars;

- Pillar 1: significant improvement in the in provision of public infrastructure and public services
- Pillar 2: A well-managed urban process in which urban nodes are linked by a good quality road and transport network
- Pillar 3: Well protected environmental assets
- Pillar 4: A growing, innovative/responsive and inclusive economy
- Pillar 5: an efficient and effective public sector with improved ability to give economic governance leadership

The annual report serves as a report back mechanism on what progress has been made in addressing the socio-economic conditions and meeting basic needs. Despite many challenges facing local government, the municipality is encouraged to maintain its Unqualified Audit Opinion, similarly, we will move swiftly to address areas of improved highlighted by Auditor General, Specific focus will be paid to strengthen internal controls and accelerate pace of implementing municipal development goals as set out in the IDP

## *Vision*

*Drives sustainable socio-economic development through efficient and innovative delivery of services*

## **Mission Statement**

**Nyandeni will achieve her vision** through a capable institution that:

- provides basic services to all her people
- creates an enabling environment for inclusive economic growth and development; through investments attraction;
- provides efficient integration and coordination of the delivery of infrastructure services

## **Values**

- Diligence
- Promptness
- Integrity
- Accountability
- Participative
- Responsive
- Considerate

## **b. Key policy development**

### **VISION 2030**

The overall purpose of Nyandeni LM Vision 2030 Development Plan is to articulate the key long-term development priorities of the Nyandeni LM between 2017 and 2030 and beyond. It outlines various strategic priorities and interventions to achieve the related desired district related outcomes linked to the National Development Plan (NDP) and the Provincial Development Plan (PDP) Vision 2030.

### **SPATIAL PLANNING AND LAND USE MANAGEMENT ACT**

The Spatial Development Framework has been reviewed and adopted by Council on 27 June 2019

- The introduction of Spatial Planning and Land Use Management Act, 2013 No. 16 of 2013 herewith referred as SPLUMA has provided a framework for spatial planning and land use management in the Republic of South Africa, specify the relationship between spatial planning and the land use management system and other kinds of planning. To promote greater consistency and uniformity in the application procedures and decision-making by authorities responsible for land use decisions and development applications. SPLUMA has therefore implications for the municipality.

The SPLUMA Bylaw has been adopted by Council to guide and inform SPLUMA implementation.

### **Local Integrated Transport Development Plan**

The Nyandeni Local Integrated Transport Plan (LITP) and Road Master Plan (RMP) has been developed and adopted by Council. It is a 5 year planning document which guide the decision making and infrastructure investment. The LITP covers the following areas

- Planning of Local and long distance public transport
- Non-motorised transport
- Road Network
- Freight transport

### **MTHATHA-MOUTH LOCAL SPATIAL DEVELOPMENT FRAMEWORK**

Mthatha-Mouth LSDF has been developed which is a priority programme for Coastal Development

### **MUNICIPAL STANDARD CHART OF ACCOUNTS (MSCOA)**

Section 216(1) of the Constitution states that National legislation must establish a National Treasury and prescribe measures to ensure both transparency and expenditure control in each sphere of government. Uniform expenditure classifications in the form of Standard Chart of Accounts (SCOA) have already been rolled out for the National and Provincial Government departments. SCOA is currently being rolled out to Local Government.

The Minister of Finance promulgated the Municipal Regulations on Standard Chart of Accounts (mSCOA) on 22 April 2014. The objective of the Regulation is to provide a national standard for uniform recording and classification of municipal budget and financial information at a transactional level by providing a standard chart of accounts.

In accordance with this regulation, all municipalities and municipal entities are required to be mSCOA compliant by 1 July 2017.

In terms of Section 4.25 of mSCOA Circular No. 1, a progress report on the mSCOA implementation including an updated risk register must be tabled to the Municipal Council on a quarterly basis.

### **c. Key Service Delivery Improvements**

**In the year under review the municipality has made a significant progress in the following strategic areas:**

- Implementation of Electrification Programme
- Implementation of Small Town Regeneration Program in collaboration with the Office of the Premier
- Improving road network for easy access to various communities, public such as schools and to contribute towards economic development
- Cleaning and Beautification of towns
- The municipality has developed municipal parks for recreation
- Promotion of Nyandeni as a tourism destination
- Establishment of the District Municipal Planning Tribunal
- Development of opening of Chief Boklein Mall in Libode
- Municipal Planning: Preparation and approval of annual budget and IDP for 2019-2020 -2021-2020 METRF Budget
- Implementation of the Human Resources Management Plan
- Provision of free basic services
- Strengthening of Intergovernmental Relations and Public Participation
- Implementation of the Expanded Public Works Programme
- 100% expenditure on all conditional grants (Integrated National Electrification Programme grant, Municipal Infrastructure Grants, Financial Management Grant, Expanded Public Works) by 30<sup>th</sup> June 2019
- Compilation and submission of financial statements to the Auditor General and National on time
- Preparation and implementation of the Audit Action Plan
- 100% filling of vacant posts in senior management and key critical positions
- Review of existing organizational policies and development of new policies as outlined in the IDP
- Training and development of staff, councilors and unemployed as the per Workplace Skills Plan

### **d. Public Participation**

**Council has used the following methods of public participation to enhance public participation**

- Establishment and structural arrangement of Ward Committees
- Strengthening of the Ward Based War Rooms
- Civic Education Programme
- Functional Community Development Workers
- Mayoral Imbizo's and IDP and Budget Public Hearings in all wards
- Strengthen Intergovernmental Relations Forum a
- Mayor's stakeholder engagements
- Use of various media platforms in order to give feedback to people of Nyandeni such as radio, social media, newspaper adverts and open door policy.

**Facilitation towards the realization of the following development:**

- Ngqeleni 100 Middle Income
- Commercialization of Agriculture
- Research and planning for Cannabis project

**e. Future actions**

In accordance with the approved IDP the following future plans will be implemented

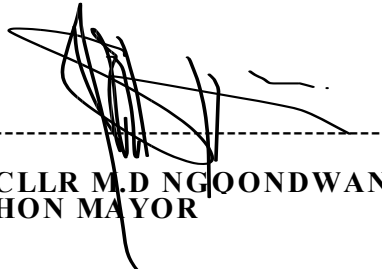
- Cleaning and beautification of towns
- Promotion of Heritage and Culture
- Electrification Programme in collaboration with Eskom and Department of Energy
- Operation and Maintenance of existing road network
- Construction of new access roads
- Strengthening of Intergovernmental and Inter-municipal relations
- Development of Compliance Framework
- Implementation of the Revenue enhancement strategy
- Maintenance of stakeholder relations through public participation mechanisms
- Sustaining unqualified audit opinion
- 100% expenditure on conditional grants (MIG, EPWP, INEP, FMG)
- Cushioning of indigent households against extreme poverty through implementation of Free Basis Service Policy
- Strengthening of communication
- Creation of job opportunities through working for coast, Expanded Public Works Programme and Community Works Programmes
- Strengthen Information and Communication Technology through implementation of ICT Enterprise Architecture
- Strengthen council efforts in socio-economic development

**f. Agreements and Partnership**

The municipality will lobby to extend the partnership agreement with the Office of the Premier for expansion of Small Town Revitalization Programme

**g. Final thoughts of the year**

Although the South Economy has experienced protracted slow economic growth and deteriorating revenues, the municipality has managed to fulfil its commitments and implemented the Integrated Development Plan priorities. We have achieved 100% of expenditure on all conditional grants. All Senior Management positions have been filled including critical posts.



CLLR M.D NGOONDWANA  
HON MAYOR



## COMPONENT B: EXECUTIVE SUMMARY

### BUILDING A PROFESSIONAL, RESPONSIVE AND SERVICE-ORIENTED ADMINISTRATION

#### MUNICIPAL MANAGER'S OVERVIEW: T1.1.1

Section 121 of the Municipal Finance Management Act prescribes that every municipality must for each financial year prepare an annual report. Section.121 (3) states that the annual report of a Municipality must include:



- a. the annual financial statements of the municipality;
- b. the Auditor-General's audit report in terms of section. 126 (3);
- c. the annual performance report of the municipality prepared in terms of section. 46 of the Municipal Systems' Act;
- d. the Auditor-General's audit report in terms of section 45 (b) of the Municipal Systems Act.
- e. an assessment by the municipality's accounting officer of any arrears on municipal taxes and service charges;
- f. an assessment by the municipality's accounting officer of the municipalities performance against the measurable performance objectives;
- g. particulars of any corrective action taken or to be taken in response to the issues raised in the Auditors' report;
- h. any explanation that may be necessary to clarify issues in connection with the financial statements;
- i. any information as determined by the municipality;
- j. any recommendation of the municipality's Audit Committee;
- k. any other information as may be prescribed.

Notwithstanding the slow growth in the economy and contraction in many economic sectors, in the year under review, the municipality has implemented the following Apex programs which seeks to contribute and reverse the effects of poverty and unemployment

- a) Acceleration of infrastructure development (Electrification, roads construction and maintenance and Integrated Transport Planning
- b) Expansion of Community Works Programme and Expanded Public Works Programme
- c) Promotion of Corporate Governance
- d) Building administration that is professional, accountable and development-oriented
- e) Strengthen Information and Communication Technology
- f) Development and approval of Human Resource and Financial Policies.
- g) Deepen public participation and Integrated Service Delivery Model
- h) Strengthen revenue enhancement strategies

The following programmes will be implemented the 2019-2020 financial year

KPA	Priority Programme	Outcome
Financial Viability & Management	Strengthen supply chain management to ensure value for money, efficiency and Economy	Outcome 9 (sub-outcome 5
	Implementation of the revenue enhancement strategy	
	Payment of creditors within 30 days	
	Capacity building and planning for implementation of Standard Chart of Accounts (SCOA)	
Governance	Strengthen internal controls	Outcome 9
Local Economic Development and Spatial Planning	Strengthen efforts towards commercialization of Agricultural development and food and security	Outcome 7
	Implementation of the Spatial Development Framework and Local SDF's	
	Land Use Management	
Small business development	Support to Cooperatives and SMME's	
Institutional Development & Transformation	Review of the existing policies and development of human resources policies	Outcome 9
	Strengthening of the implementation of the performance management framework	
	Approval and implementation of the Human Resource Plan	
Infrastructure development	Electrification of households and eradicate backlog	Outcome 6
	Provision of sustainable free basic services to indigent households	
	Small town revitalization programme through implementation of beautification programme, town face-lifting and implementation of bylaws	
	Completion of Libode Sports Field and Taxi Hub	
	Operating and Maintenance of existing infrastructure	
Good Governance & Public Participation	Strengthening of Intergovernmental Relations and public participation	Outcome 9
	Vigorous implementation of the Expanded Public Works Programmes and Community Works Programmes	
	Addressing issues emanating from the auditor General's report for 2016/2017 audit	
	Implementation of the Risk Management Policy and Plan	



## 1.2 MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL REVIEW: T1.2.1

Nyandeni Municipality is performing the following functions

Part B of Schedule 4	Part B of Schedule 5
1. Solid waste 2. Abattoirs 3. Municipal planning 4. Storm water management system 5. Public transport 6. Trading regulations 7. Tourism 8. Building regulations	9. Cemeteries, funeral parlors and crematoria – including the DM function 10. Cleansing 11. Local sport facilities 12. Municipal parks and recreation 13. Municipal roads 14. Pounds 15. Public places 16. Refuse removals, refuse dumps and solid waste disposal 17. Traffic and parking 18. Municipal public works 19. Beaches and amusement 20. Billboards and display advertisement in public places 21. Street trading

## POPULATION: T1.2.2

The total population in Nyandeni local municipality has increased by 6.6% from 290 391 people in 2011 to 309 702 people in 2016

	2011 census			2016 Community Survey			
	Male	Female	Total		Male	Female	Total
O.R. Tambo	630 090	734 856	1 364 943		679 882	777 502	1 457 384
Ngquza Hill	128 973	149 505	278 481		142 829	160 549	303 379
Port St Johns	71 481	84 654	156 135		77 077	89 701	166 779
<b>Nyandeni</b>	<b>134 241</b>	<b>156 150</b>	<b>290 391</b>		<b>143 803</b>	<b>165 899</b>	<b>309 702</b>
Mhlontlo	87 438	100 788	188 226		88 911	100 264	189 176
KSD	207 951	243 759	451 710		227 261	261 088	488 349
Eastern Cape	3 089 703	3 472 353	6 562 053		3 327 495	3 669 481	6 996 976

Source: Statistics South Africa (2011 Census and 2016 Community Survey)

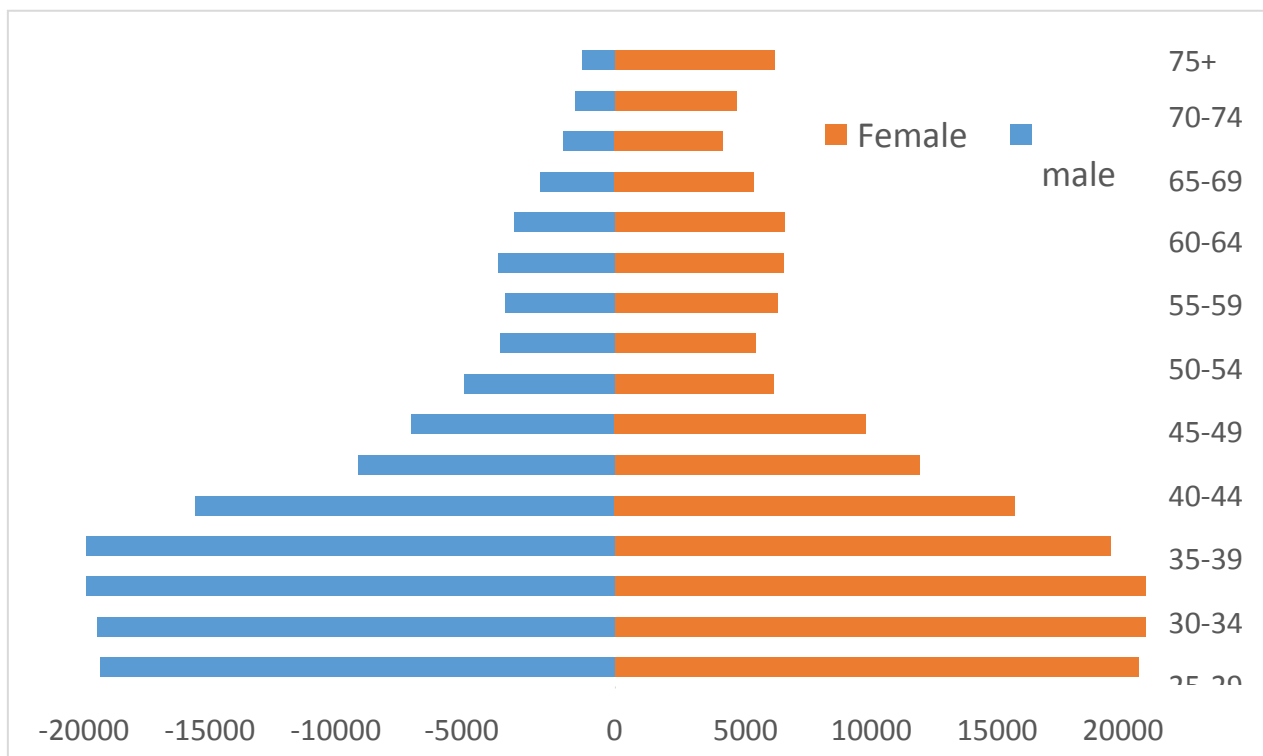
TABLE 2. **POPULATION BY GENDER**

**Male population has grown at a faster rate than their female counterpart**

2011 and 2016	Ngquza Hill	Port St Johns	<b>Nyandeni</b>	Mhlontlo	KSD	EC
Male	10.7%	7.8%	<b>7.1%</b>	1.7%	9.3%	7.7%
Female	7.4%	6.0%	<b>6.2%</b>	-0.5%	7.1%	5.7%
<b>Total</b>	<b>8.9%</b>	<b>6.8%</b>	<b>6.6%</b>	<b>0.5%</b>	<b>8.1%</b>	<b>6.6%</b>

Source: Statistics South Africa (2011 Census and 2016 Community Survey): **Table 2**

### **Age pyramid of Nyandeni local municipality: 2016**



Source: Statistics South Africa, 2016 Community Survey

The age pyramid of Nyandeni local municipality shows that more female than male reach the age of 75 years.

In general, a population with a larger percentage of young, reproductive age individuals will grow more rapidly than a population with more older, non-reproductive individuals. This is the case for Nyandeni, a municipality populated largely with very young people.

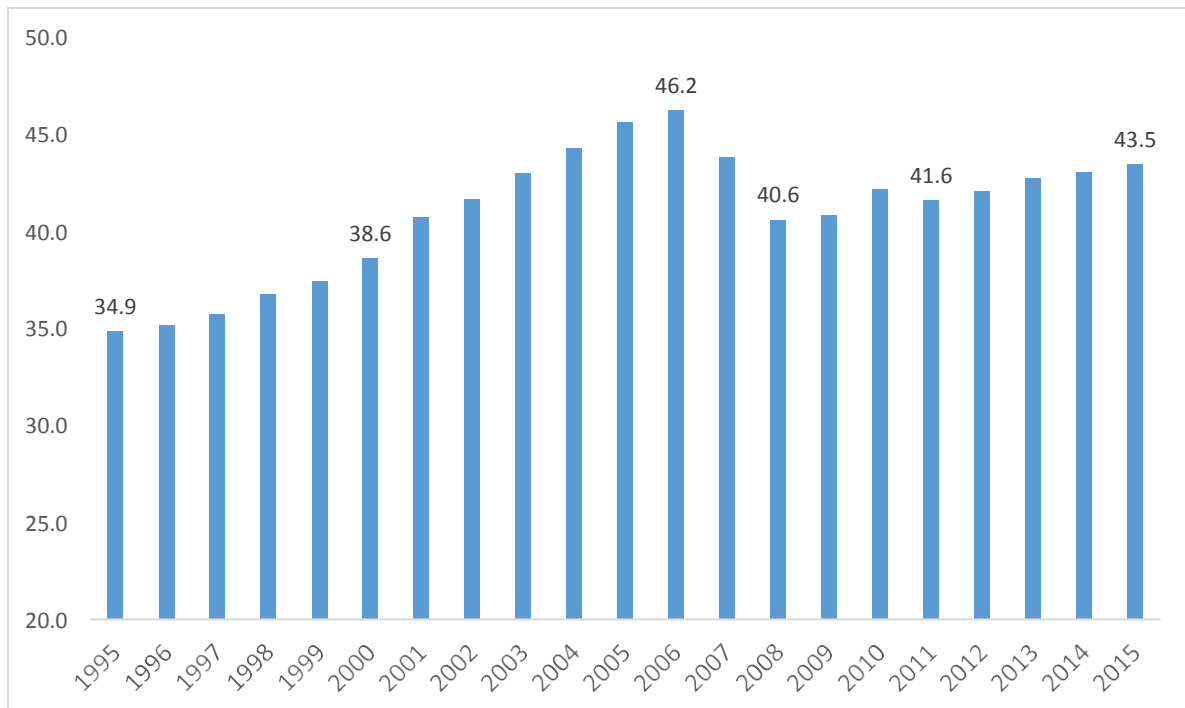
### **HOUSEHOLDS: T1.2.3**

There were 55 112 households in Nyandeni Local Municipality in 2001 and 61 647 in 2011. That equates to an average annual growth rate of 1.13% over time. The average household size in 2001 was approximately 4.8 individuals per household as compared to the 4.6 persons per household in 2011. With faster growth in the number of households, compared to the growth in population, in Nyandeni Local Municipality, marginal demand for housing and basic services compared to that of health, education and safety services may be relatively higher.

#### UNEMPLOYMENT RATE: T1.2.4

Looking at the level of unemployment in Nyandeni, below graph shows how the official unemployment rate dropped dramatically from 46.2% in 2006 to 40.6% in 2008. But due to the great recession, many companies retrenched workers and since then, unemployment in Nyandeni climbed again to high level of 43.5% in 2015.

##### High unemployment rate in Nyandeni local municipality



Source: Quantec, 2016

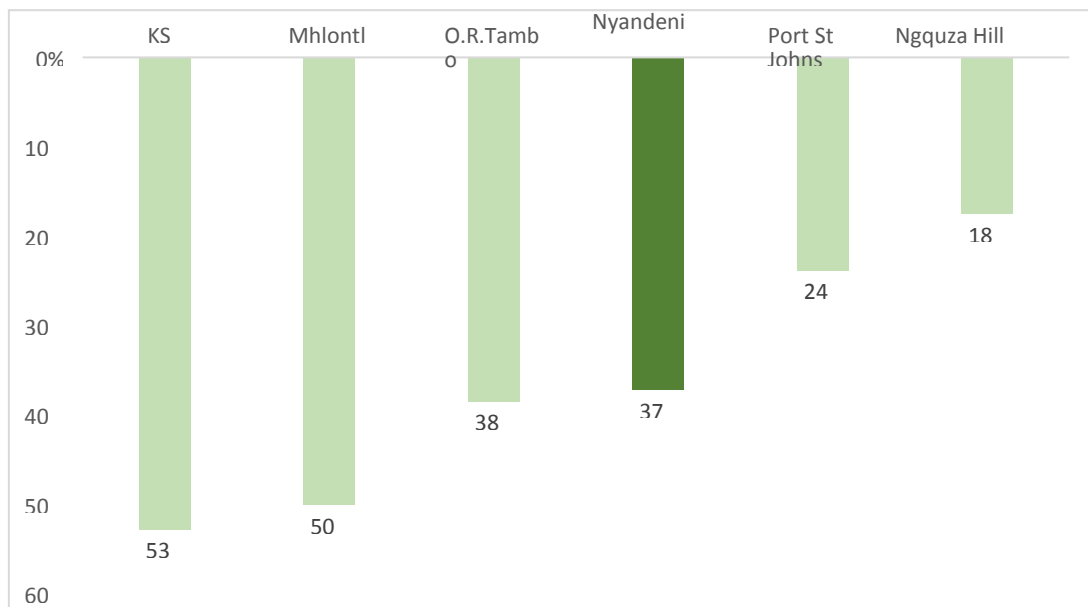
## CHAPTER 1: SERVICE DELIVERY OVERVIEW T1.3.1

Note: The function for the provision of both water and sanitation is the responsibility of the District Municipality.

According to Stats South Africa, Census 2011 and confirmed by Auditor General MFMA Report of 2012/2013 published in 2014, approximately 71% of households have access to electricity, whilst 44% of households have access to piped water, provision of free basic services to indigent households. 100% expenditure on Municipal Infrastructure Grant and 71.3% on Municipality continues to access grant funding from the Integrated National Electrification Programme by Department of Minerals and Energy (INEP)

### T1.3.2 ACCESS TO WATER

- Higher level of service includes piped water inside dwelling. This category is still a luxury in Nyandeni as only 1 146 people or less than 1% of the population fall into this category.
- Basic level of service includes piped water inside yard and piped water within 200m. In Nyandeni 3% of the population have piped water inside yard.
- Below basic level constitutes a backlog and includes, piped water further than 200m, springs, rain water tanks, dam/pool/stagnant water and water vendors. More than half of the population fall within this category.



### ACCESS TO SANITATION

Access to sanitation refers to the number of households having access to basic level of sanitation.

- Higher level of service includes, flush toilet connected to sewerage system.

- Basic level of service includes flush toilet with septic tank and PIT latrine with ventilation.
- Below basic level constitutes a backlog and includes chemical toilets, pit latrine without ventilation, bucket latrine and no sanitation facility.

One single characteristic of the sanitation in Nyandeni is that toilet facilities are not located inside the dwelling. Table 32 shows that 95% of the population in Nyandeni uses toilets located in the yard.

Location of the main toilet facility (in the dwelling/yard/outside the yard), 2016

	In the dwelling/house	In the yard	Outside the yard	Not applicable	Unspecified	Total
O.R.Tambo	75 181	1 262 737	19 009	19	100 438	1 457 384
Ngquza Hill	4 649	284 433	3 200	-	11 097	303 379
Port St Johns	1 701	129 730	3 650	-	31 698	166 779
<b>Nyandeni</b>	<b>4 405</b>	<b>292 663</b>	<b>1 204</b>	<b>19</b>	<b>11 412</b>	<b>309 702</b>
Mhlontlo	1 292	174 401	2 771	-	10 712	189 176
KSD	63 134	381 510	8 184	-	35 520	488 349
%	In the dwelling/house	In the yard	Outside the yard	Not applicable	Unspecified	Total
O.R.Tambo	5.2	86.6	1.3	0.0	6.9	100.0
Ngquza Hill	1.5	93.8	1.1	-	3.7	100.0
Port St Johns	1.0	77.8	2.2	-	19.0	100.0
<b>Nyandeni</b>	<b>1.4</b>	<b>94.5</b>	<b>0.4</b>	<b>0.0</b>	<b>3.7</b>	<b>100.0</b>
Mhlontlo	0.7	92.2	1.5	-	5.7	100.0
KSD	12.9	78.1	1.7	-	7.3	100.0

Source: Statistics South Africa (2016 Community Survey)

## HIGH IMPACT PROGRAMMES

- a) Electrification (urban and rural household connection, street lighting);
- b) Transport Services (Bridges, non-motorized transport, Roads and Transport);
- c) Water (Bulk water, Water Treatment Works and water reticulation);
- d) Sanitation (Bulk Sewer Lines, Sewer Treatment Works and Sewer Reticulation);
- e) Libode Square;
- f) Commercialization of agriculture

The municipality needs an amount of R41 157 000.00 to upgrade electricity infrastructure for urban areas to have adequate capacity for immigration to high economic centres. For rural infrastructure and household connection the municipality requires R 37 500 000.00 to cater for 1500 households at an average cost of R 25 000.00 per household. Energy Master Plan has been developed and adopted by Council of Nyandeni LM. The Plan provides access and backlog on energy within jurisdiction of Nyandeni LM.

### Urban Electricity Requirements

Area	Project Name	Category	Planned CAPEX	Phase
Libode	Social Development Centre	315 kVA	R 13 494 000	Construction stage
Libode	Erf 89 Office Park	500kVA	R 6 825 000	Planning stage
Libode	Libode Square Shopping Centre (Erf 88)	3MVA	R7 680 000	Planning Stage
Libode	Libode Shopping Centre	1 MVA	Nil	Completed construction and operational
Ngqeleni	Ngqeleni Shopping Centre	3MVA	R 7 680 000	Planning Stage
Ngqeleni	Ngqeleni Residential Houses	100 hh	R 2 100 000	Middle Income Houses
Libode	Libode Ext 2 Residential	66 hh	R 1 287 000	Construct to start in 6 months' time
Libode	Libode township	102 hh	R2 091 000	Planning stage
<b>Total</b>			<b>R41 157 000</b>	

## TRANSPORT SERVICES (ROADS NETWORK INFRASTRUCTURE)

Local Integrated Transport Plan herewith referred to as (LITP) and Road Master Plan (RMP) have been developed to provide policy direction and clarity needed to hold decision making on resource allocation, prioritization of programs as well as ensuring well thought Integrated Transport Planning and System. The LITP identifies and expressly defines road network, road capital and including required funding. Whilst storm water master plan reflect storm water management, municipal roads and budget requirements.

According to the Eastern Cape Department of Roads and Transport Roads Management System the total length of the road network under the jurisdiction of Nyandeni Local Municipality is 2200 km of which 19.93 is under national Department of Roads and Transport, 569.51 km is under Provincial Department of Roads and Transport, and 1610.71 km is managed by Nyandeni Local Municipality. National (N2) and Provincial (R61) roads which are the responsibility of Department of Roads and Transport are currently managed by SANRAL on behalf of the department.

The plans (LITP and RMP) were approved in the financial year 2015/16 and are reviewed and updated annually. In the year 2017/18 financial year the plans were reviewed and updated. Since approval of the LITP and RMP the backlog has reduced from 1265.39 km to 1074.79 km as there has been construction of 190.6 km which includes rehabilitation of 75.5 km. Through SANRAL on behalf of Department of Roads and Transport has also constructed safety roads along R61 to ensure access is only through safe areas and intersections are upgraded to required standards. The programs include upgrade of intersections to have turning lanes and to be also interchanges. The upgrades have turning lanes on level intersections and

interchanges with free onramps and off-ramps is also constructed. Overhead bridges are provided to assist communities to cross roads and the reduction of accidents is expected to rise on the roads. Under-pass bridges are also provided for animals to be to cross roads at different levels to minimize

**Non-motorized transport:** the municipality has been implementing pedestrian sidewalks for previous years and current year. Currently non-motorized transport is dominated by pedestrian sidewalks for safety of pedestrians. This therefore minimizes risks for drivers to continuously swerving to pave way for pedestrians. In the year under review we have constructed 8.61 km of paved sidewalks through small town's revitalization and Expanded Public Works Grant.

## **N2 WILD COAST HIGHWAY**

The project is part of government's Strategic Integrated Project SIP-3. The N2 Wild Coast Road is a catalytic project for the Eastern Cape (EC) is a proposed 560km route between Gonubie (East London) and Isipingo (Durban). In Nyandeni Local Municipal Area the project covered Ntlaza Improved Intersection, Corana Interchange & Libode Interchange. Libode Interchange and Pedestrian overhead bridge were built to ensure free flow on carriageway, safety of pedestrians and school children. This project has benefited local communities and local contractors through designed contractor development programme.

## **Major Roads Projects Included**

### **For the previous years SANRAL has constructed the following infrastructure**

- ✓ Mthatha to Ngqeleni Interchange upgrade
- ✓ Corana Bridge construction and 2 way 2 lane construction from Mthatha to Corana Interchange
- ✓ Gxulu Intersection Upgrades X 4
- ✓ Construction of pedestrian and/or animal underpass between Corana and Libode
- ✓ Libode Intersection Upgrade
- ✓ Libode Overpass from Qhanqu to Libode
- ✓ Libode Interchange
- ✓ Mount Nicholas pedestrian bridge

### **For financial year 2018/19 SANRAL constructed the following**

- ✓ St Barnabas & Ntlaza;
- ✓ Libode to Mngazi River – the project entails the construction of an overpass at Qiti and the construction of an agricultural underpass and the upgrading of 3 intersections;
- ✓ Completion of Corana to Ngqeleni Interchange
- ✓ Pedestrian walkways from Ntlaza to Mngazi river;
- ✓ Upgraded Taxi Rank at Mngazi;

## **Access Roads**

Nyandeni Local Municipality is responsible for management of municipal roads which are 1610.71 km of which 7.22 km is surfaced and 1603.49 km is unsurfaced. Most roads responsible for by the municipality are access roads and are category E under classifications of C to E.

<b>ROADS CLASSIFICATION</b>			
<b>Road Category</b>	<b>Surfaced</b>	<b>Unsurfaced</b>	<b>Total</b>
National Road	19.93	-	19.93
Provincial Road	79.54	589.97	569,51
Municipal Road	7.22	1603.49	1610.71
<b>Total</b>	<b>106.69</b>	<b>2093.46</b>	<b>2200.15</b>

## **Achievements**

As part of providing access to and connecting communities to various community facilities such schools, clinics and churches e. t. c. the municipality in the year under review has constructed 67.2 kilometres (km) improving from 64.2 km last financial year of new gravel roads as well as 9 kilometres of surfaced roads



through Small Towns Revitalization, we have maintained 142.70 km from 134,1km last financial year including rehabilitation of 67.2 from 33,5 km last financial year. The achievement of 134.1 km is through the following sections of maintenance which is rehabilitation of 67.2 km and ad-hoc maintenance of 34.2 km with periodic maintenance of 33 km. Our efforts in pursuit of improving transport management is beginning to yield good results, in this instance, the municipality has Developed Integrated Transport Plan as well as Road Master Plan and the Council has approved the integration and use of Rural Roads Asset Management System (RRAMS). These documents will ensure better planning and allocation of resources and better decision making. We invite communities to participate in the finalisation of these document. The total for improved riding quality and safe roads which has an upgraded useful life is 190.6 km and this backlog has reduced from 1265.39 km to 1074.79 km as there has been construction of 190.6 km which includes rehabilitation of 75.5 km. We have constructed non-motorized infrastructure for pedestrian safety of 8.61 km.

### **Bridges and Crossings**

#### **Roads projects that had bridges that were constructed to interlink communities through rehabilitation projects and construction projects**

- ✓ Cibeneni to Ngojini;
- ✓ Makwalweni to Mzimvubu;
- ✓ Didi to Ntlaza;
- ✓ Matolweni low level crossing

The construction of bridges massively contributes to the economy of affected areas as they drastically reduced travelling time and distance. Bridges also promote linkages and relations within villages which drastically reduces travelling times between villages and promotes economy and trade between them. Ease of access not only promotes trade but promotes relations which contributes to Ubuntu and Africanism culture.

### **Challenges**

Canzibe Provincial road connects communities to Canzibe Hospital and neighboring villages. This road is a provincial roads and falls under the competency of the Department of Roads and Transport (DoRT). Riding quality of the road is very poor with potholes and rutting and poor drainage that leads to road being impassable especially during rainy seasons. High maintenance of the vehicles demotivates and negatively affects Nyandeni communities that use the road in such bad conditions more frequently. Outcomes of meetings between DoRT and community stakeholders has resulted in the department committing to review existing designs and source funds for construction in the next financial year.

Hluleka Provincial Road leads to coastal area which boasts areas such as Mthatha Mouth and Mdumbi. The Department of Roads and Transport has been engaged with a view to do surfacing on the road and has promised to surface the road with their internal team through interlock block pavers. Bulk of Nyandeni community depends upon this route for travelling to and from towns for their economic and social activities. DoRT has failed to surface this road for over years after several policy statements by MEC and Premier's on various budget speeches from a decade ago. This prevents communities to operate effectively and engage with economic and social activities as it prohibits conducive environment.

Our construction of roads network is dominated by gravel roads which at times easily runs off due to mountainous terrain that exists within the area. Due to fund constraints it is difficult to do proper routine and preventative maintenance as the municipality do not have adequate resources for maintenance. The municipality is rural dominated hence the revenue is the challenge to ensure maintenance is effected for long life span of roads infrastructure.

Machine breakdown negatively impact on our maintenance especially routine and preventative maintenance has affected us severly on the year under review. Response time by mechanic service providers does not

help much as decision management is with other provinces structurally. We also experienced heavy rains during the year under review that were enormous and affected our delivery as the soil was mostly saturated from December 2018 to April 2019. We had not experienced such rains for a very long period and the designs were mostly based on flood return of 50 years.

## **LAND MANAGEMENT**

Council has adopted a land disposal policy which is aimed at guiding land disposal for strategic development and priorities in order to promote local development. The introduction of Spatial Planning Land Use Management Act, herewith referred as SPLUMA demand that municipality should adopt implementation mechanism, in this regard. Systems have been put in place to ensure smooth implementation of SPLUMA. Of great significance is to strengthen relations with Traditional leadership.

The District Municipality is facilitating the implementation of SPLUMA through establishment of Municipal Planning Tribunal which will be the vehicle for approval of Land Development Applications.

## **HUMAN SETTLEMENT DEVELOPMENT**

Provision of Human settlement is the competency of the Provincial Department of Human Settlement: projects that are currently under construction.

## Challenges summarized

- Limited Conditional Grant affects the annual targets and service delivery
- Poor road conditions or sometimes non-existence of access roads to individual sites.
- The terrain challenges which results to double and/or sometimes triple handling of material is grossly affecting the production on site.
- Lack of Bulk infrastructure affects many urban projects
- Lack of bulk material supply within the local suppliers resulting on contractors sourcing material from distant suppliers
- Projects earmarked for destitute, results to beneficiary administration challenges since units are scattered and spread over various wards.
- Vandalism of completed units and theft of material
- Poor performance of contractors results to blocking of projects

## 1.4 FINANCIAL HEALTH OVERVIEW

### T1.4.1 FINANCIAL OVERVIEW

The municipality had a favorable working capital.

### T1.4.2 FINANCIAL OVERVIEW: YEAR 2018/19

Financial Overview: Year 2018/2019			
R' 000			
Details	Original budget	Adjustment Budget	Actual
Income:			
Grants	355 792	341 296	357 665
Taxes, Levies and tariffs	7 405	10 954	15 752
Other	90 296	125 480	26 726
Sub Total	453 493	477 730	400 143
Less: Expenditure	334 624	346 691	264 659
Net Total*	118 869	131 039	135 484
* Note: surplus/(defecit)			T 1.4.2

### T1.4.3 OPERATING RATIOS 2018/19

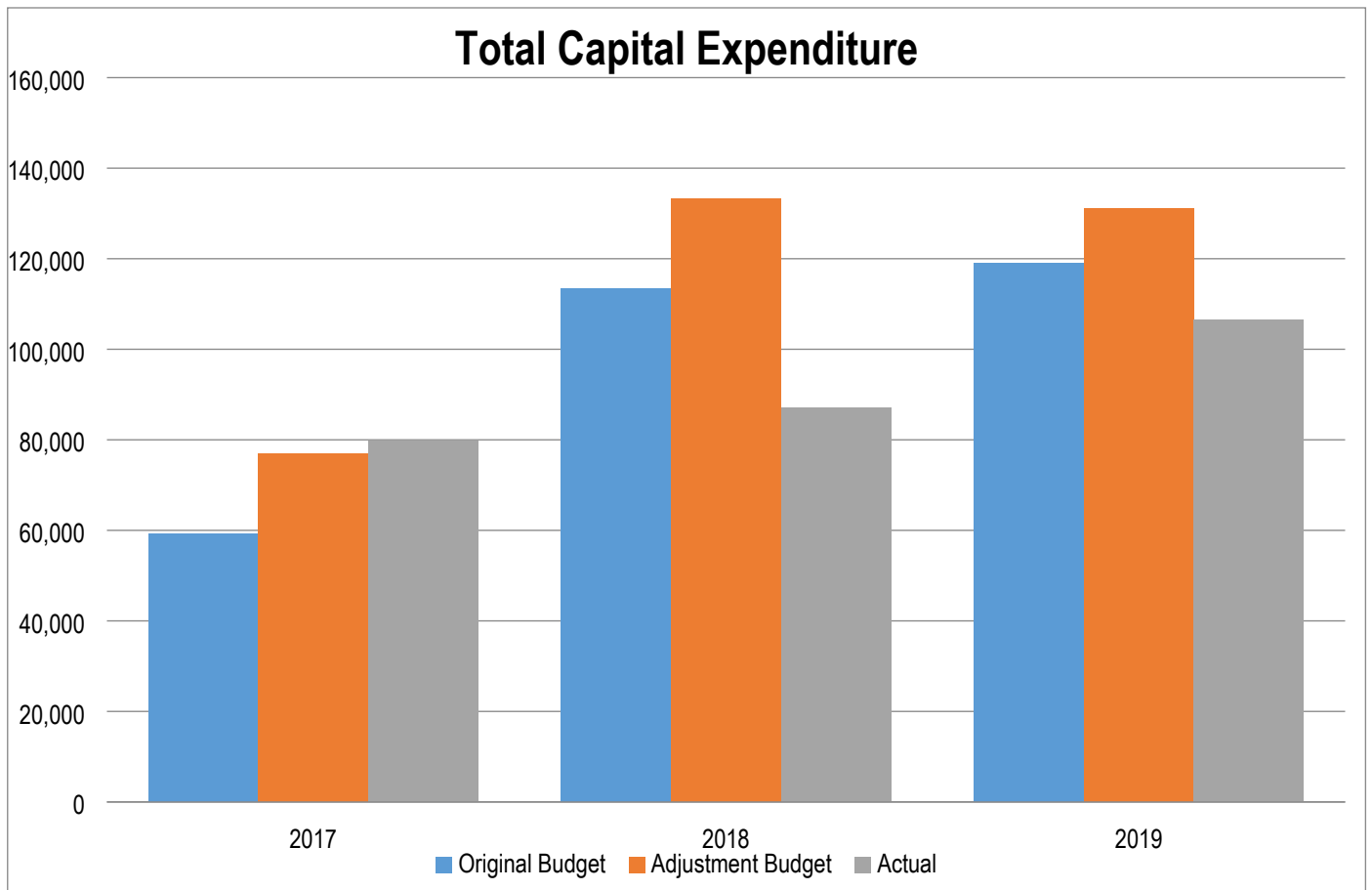
Operating Ratios	
Detail	%
Employee Cost	45%
Repairs & Maintenance	4%
Finance Charges & Impairment	
T 1.4.3	



#### T1.4.4 CAPITAL EXPENDITURE: 2018-2019

Total Capital Expenditure: Year 2017 to Year 2019			
			R'000
Detail	2017	2018	2019
Original Budget	59 147	113 391	118 969
Adjustment Budget	76 935	133 246	131 039
Actual	79 643	87 083	106 558
T 1.4.4			

#### T1.4. 5: TOTAL CAPITAL EXPENDITURE



## **1.5 ORGANIZATIONAL DEVELOPMENT OVERVIEW**

### **T1.5.1 ORGANIZATIONAL DEVELOPMENT PERFORMANCE**

The organogram (staff establishment) aligned to the Integrated Development Plan and Annual Budget was reviewed and approved by council 30 May 2018. Training for staff and Councilors is ongoing. The Municipality has reviewed 42 existing policies. In compliance with financial competency regulations, all section 56 managers, municipal manager, budget and treasury staff have either completed the Municipal Finance Management Programme while some are in the process of completing the certificate. Performance Management Policy is in place and progressively being implemented.

#### **Annual Individual Performance Assessment**

The Municipal Manager and Section 56 Managers have all signed Performance Agreements. Individual Performance Assessment for the Municipal Manager and Section 56 Managers have been conducted for 2017/18 financial year in accordance with PMS regulations.

### **1.6 AUDITOR GENERAL 2018/19:T1.6.1**

To be updated in the final report

## 1.7 ANNUAL REPORT PROCESS

### T1.7.1 STATUTORY ANNUAL REPORT PROCESS

No.	Activity	Timeframe
1	Consideration of next financial year's Budget and IDP process plan. Except for the legislative content, the process plan should confirm in-year reporting formats to ensure that reporting and monitoring feeds seamlessly into the Annual Report process at the end of the Budget/IDP implementation period	August
2	Implementation and monitoring of approved Budget and IDP commences (In-year financial reporting).	
3	Finalise the 4th quarter Report for previous financial year	
4	Submit draft year 2017/18 Annual Report to Internal Audit and Auditor-General	
5	Audit committee considers draft Annual Report of municipality and entities (where relevant)	August
6	Mayor tables the unaudited Annual Report	
7	Municipality submits draft Annual Report including consolidated annual financial statements and performance report to Auditor General	
8	Annual Performance Report as submitted to Auditor General to be provided as input to the IDP Analysis Phase	
9	Auditor General audits Annual Report including consolidated Annual Financial Statements and Performance data	September – October
10	Municipalities receive and start to address the Auditor General's comments	November
11	Mayor tables Annual Report and audited Financial Statements to Council complete with the Auditor- General's Report	January
12	Audited Annual Report is made public and representation is invited	February
13	Oversight Committee assesses Annual Report	December-February
14	Council adopts Oversight report	February
15	Oversight report is made public	March
16	Oversight report is submitted to relevant provincial councils	March
17	Commencement of draft Budget/ IDP finalisation for next financial year. Annual Report and Oversight Reports to be used as input	March

*\*completion of oversight will be dependent on the tabling of the final annual report due to final audit opinion expected to be issued on 30 November 2019*

#### T.1.T.7.1 COMMENTS ON THE ANNUAL REPORT PROCESS

The Municipal Planning Cycle and legislative framework informs the process of preparing an annual report. The process involves consultations with internal and external governance structures and stakeholders,

  
**MS. N. NOMANDELA**  
**MUNICIPAL MANAGER**

**CHAPTER 2: GOVERNANCE**



## COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE

### T2.0.1 INTRODUCTION TO POLITICAL AND ADMINISTRATIVE GOVERNANCE

The Municipality is politically stable, that all oversight committees of Council are fully functional. The administrative arm is structured in a manner that ensures achievement of objectives as set out in the Integrated Development Plan.

### 2.1 POLITICAL GOVERNANCE

#### T2.1.1: INTRODUCTION:

Nyandeni Local Council is constituted in terms of section 12 read with section 18 of the Local Government: Municipal Structures Act No. 117 of 1998 and consists of 63 Councilors. 32 are Ward Councilors and 30 are Proportional Representation Councilors. of 63 Councilors, 27 are females. 13 traditional leaders participating in council. The Municipality is categorized as an executive committee type of a municipality.

#### T2.1.1 GOVERNANCE STRUCTURES:

Council	Pass policies, budget and tariffs
Executive Committee	To identify the needs of the community Review and evaluate those needs in order of priority Recommend to the municipal council strategies, programmes and services to address priority needs Recommend or determine best methods, including partnership and other approaches to deliver those strategies, programmes and services
Standing Committees	Defined in terms of section. 80 of the Structures Act as Committees to assist Executive Committee or Executive Mayor

In the year under review the following structures were established in terms of section 80 and 79 of the Local Government: Municipal Structures Act.

Structure	Delegated Function	Executive Committee Member
Corporate Services Standing Committee	Human Resource Development Administration Employee Wellness Maintenance of municipal buildings ICT Governance	Cllr. T Mathika
Budget and Treasury Standing Committee	Income and Expenditure, Supply Chain Management, Assets and Fleet Management Financial viability and Management	Cllr. Z Mevana

Human Settlement , Spatial development and Disaster management	Spatial Planning Land Use Management Human Settlement Fire Fighting Natural Disasters Provision of Responsive Material	Cllr. P Godongwana
Infrastructure development Services	Construction of access roads Maintenance of access roads Electricity	Cllr. Z Nondlevu
Local economy and Rural development	Tourism, SMME and Cooperative Agriculture and forestry	Cllr. N Thiyeka
Special programmes , Sports, Arts and Culture	Special Programmes Sports and Recreation Adult programmes Youth programmes Children's programmes Women programmes Sports Arts and Culture	Cllr V Zondani
Community Services, Waste & Traditional Affairs	Waste management Social programmes (SASSA, DOSD, DOH, any government Department charged with basic services delivery) HIV/AIDS Free Basic Services Public Amenities (libraries, cemeteries, pounds) Early childhood Development	Cllr W Ngaveli
Municipal Planning, Research & IGR	Development of Research Projects Research on economic, social and political issues Institutional Performance management Municipal Wide Planning Intergovernmental Relations Community involvement	Cllr M.P Diniso

Structure	Function
Municipal Public Accounts Committee	<p>Appointed in terms of sections 33 and 79 of the Municipal Structures Act: section.79 (1) A Council may establish one or more committees necessary for the effective and efficient performance of any of its functions or the exercise of any of its powers.</p> <ul style="list-style-type: none"> <li>• To consider and evaluate the content of the annual report and to make recommendations to Council when adopting an oversight report</li> <li>• To compile and table the Oversight Report to Council in terms of section 129 (1) of the MFMA</li> <li>• To examine the financial statements and audit report of the municipality</li> <li>• To promote good governance, transparency and accountability on the use of municipal resources</li> <li>• To perform any other functions assigned to it through a resolution of council within its area of responsibility</li> </ul>

Structure	Function
Public Participation and Petitions Committee	<ul style="list-style-type: none"> <li>• Public participation and petitions</li> <li>• Complaints (local and Presidential Hotline)</li> </ul>
Ethics and Members Interest Committee	<ul style="list-style-type: none"> <li>• Councilor Welfare</li> </ul>
Women Caucus	<ul style="list-style-type: none"> <li>• Lobby and advocates for women interest,</li> </ul>



### **T2.1.1 POLITICAL LEADERSHIP**

**Note:** changes in Portfolio by the Members of the Executive Committee are noted in Table T2.1.1.



**Name: Cllr M .Mtobela**

**Title: Chief Whip**



**Name: Cllr N Matanda**

**Title: Speaker**



**Name: Cllr M.D Ngqondwana**

**Title: Mayor**



**Portfolio Head: SPU**  
**Cllr. Vanda**



**Portfolio Head: Local Economic Development**  
**Cllr. N. Thiyeka**



**Portfolio Head: Infrastructure**  
**Cllr. Z. Nondlevu**



**Portfolio Head: Budget & Treasury**  
**Cllr. Z. Mevana**



**Portfolio Head: Community**  
**Cllr. W Ngaveli**



**EXCO in the Office of the Mayor**  
**Cllr. Magxala**



**Portfolio Head: Corporate Services**  
**Cllr T Mncube**



**Portfolio Head: Municipal Planning**  
**Cllr. Diniso**



**Portfolio head: Spatial Planning**  
**Cllr : P Godongwana**





## **THE EXECUTIVE COMMITTEE: T2.1.1**

### **T2.1.2: Political Parties and traditional leaders represented in Council**

**T2.1.2: Political Parties and traditional leaders represented in Council**

<b>Party</b>	<b>Total Seats</b>	<b>Ward Seats</b>	<b>PR Seats</b>
African National Congress	54	32	22
DA	3	-	3
EFF	3	-	3
UDM	3	-	3
Traditional leaders	13	-	-
<b>Total</b>	<b>76</b>	<b>32</b>	<b>31</b>

## MUNICIPAL OVERSIGHT

### MUNICIPAL PUBLIC ACCOUNTS COMMITTEE COMPOSITION (MPAC)



**TOP LEFT :** Chief L Gwadiso, Cllr Lona, Cllr M. Sifici, Cllr M Mkrokrelwa, N Gqetywa, Cllr Mchithakali, Cllr N Tyopho, Cllr P Madwantsi, Cllr F. Gaxeni, Cllr S.S Nogumla, Cllr T Zweni, Cllr Mbhiyozo

#### Mandate

The mandate of the Municipal Public Accounts Committee is set out in the Constitution, various Local Government legislations and Committee Terms of References as adopted by Council Article 3 which prescribe as follows:

The Mandate of MPAC is to

- Interrogate the record of activities in each Financial Year, determine linkages between Strategic Plans [IDP], Budget, SDBIP and Annual Report.
- Establish deficiencies, omissions, variation, deviations and reasons thereof and corrective measures.
- To hold Executive accountable and to ensure effective use of Municipal resources and

enhance public awareness of the financial and performance issues of the Municipality.

- Consider Annual Report and that of the Municipal Council and its entity, prepare and present its Oversight Report.
- To promote transparency and public accountability.
- To review any proposals for improving efficiency, effectiveness and economy in the financial sphere of the organization

#### Analysis of attendance by MPAC Members

Name of Councillor	19/09/18	25/10/18	05-09/11/18	05/12/18	02-04/04/19	17/05/2019	24/07/2019
1. N. Tyopo	✓	✓	✓	✓	✓	✓	✓
2. N. I. Gqetywa	✓	✓	✓	✓	✓	✓	✓
3. P. Madwantsi	✓	✓	✓	✓	✓	✗	✓
4. F. Gaxeni	✗	✗	✓	✓	✓	✓	✗
5. Z. Mchithakali	✓	✓	✓	✓	✗	✓	✓
6. S. Nogumla	✓	✓	✓	✗	✓	✗	✗
7. L. Tshotsho	✓	✗	✗	✗	✓	✗	✓
8. M. Sifici	✓	✓	✓	✓	✓	✓	✗
9. L. Gwadiso	✗	✓	✓	✗	✓	✓	✗
10. M. Mkrokelwa	✗	✓	✓	✗	✗	✗	✓
11. S. Mbiyozo	✓	✓	✓	✓	✓	✗	✓
12. T. Zweni	✓	✓	✓	✗	✓	✓	✓



## AUDIT COMMITTEE MEMBERS (Term expired in December 2018)



AC Chairperson: Mr S Mbalekwa



AC Member: L Galada



AC Member: Mr G. Labana



**Name:** Mr. B Mbewu

**Title:** Chairperson Risk Committee



**Name:** Mr. T Mapika

**Title:** Chairperson: ICT Governance Committee

### Summary Of Achievements

- Conducted substantive oversight for the year ending 30 June 2019 on matters relating to—
  - (i) internal financial control and internal audits;
  - (ii) risk management;
  - (iii) accounting policies;
  - (iv) the adequacy, reliability and accuracy of financial reporting and information;
  - (v) performance management;
  - (vi) effective governance;
  - (vii) compliance with MFMA Act, annual Division of Revenue Act and other applicable legislation; and
  - (viii) performance evaluation;
- The audit committee Chairperson participated in the assessment of performance of the Municipal Manager and Senior Managers.
- Reviewed Annual Financial Statements for the 2017/18 financial year and provided council with an authoritative and credible view of the financial position of the municipality, its efficiency and effectiveness and its overall level of compliance with MFMA, the annual Division of Revenue Act, and relevant accounting principles.
- Provides recommendations to council and MPAC



## FUNCTIONALITY OF AUDIT, PERFORMANCE AND RISK COMMITTEE

### Number of Audit committee meetings for 2018/19 Financial Year

Name	Designation	04 July 2018	05 July 2018	22 August 2018	25 October 2018
Mr S.Mbalekwa	Chairperson	√	√	√	√
Mr L.Galada	Member	√	√	√	√
G.Labane	Member	√	√	√	√

Composition of new audit committee with effect from 01 January 2019



**Name:** Mr. G Labane

**Title:** A Com Chairperson



**Name:** Mrs N Ntshanga

**Title:** A C Member (Finance)



**Name:** Mr. M Mbenenge

**Title:** A C Member (Performance)

Name	Designation	25 March 2019	20 June 2019
Mr. G. Labane	Chairperson	√	√
Ms. N. Ntshanga	Member	√	√
Mr. M. Mbenenge	Member	√	√

### **T2.1.3 POLITICAL DECISION-TAKING**

Council is the highest decision making body with the Mayor being the head of the political administration. The Municipality is an executive type where the Mayor chairs the Executive Committee and tables recommendations to Council.

## **2.2 ADMINISTRATIVE GOVERNANCE**

### **T2.2.1 TO T2.2.2 INTRODUCTION TO ADMINISTRATIVE GOVERNANCE**

The administration is headed by the Municipal Manager who is assisted by the heads of departments constituted as follows:

Directorate: The Municipal Manager: **Mrs. N. Nomandela**  
Directorate: Office of the Municipal Manager: **Mr. S,V Poswa**  
Directorate: Community Services: **Ms. Z. Masumpa**  
Directorate: Budget and Treasury Office **Mr. B. K. Benxa**  
Directorate: Infrastructure Department **Mr. Q.F.Q Madikida**  
Directorate: Corporate Services Department **Mr. S Mvunelo**  
Directorate: Planning and Development Department **Mr. G.N Cekwana**

#### **Department: Office of the Municipal Manager**

##### **Functions of the Department**

Municipal Planning and policy  
development  
internal auditing  
Legal Services  
Fraud prevention and risk management  
Monitoring and Evaluation  
Public participation  
Governance and council support  
Special Programmes  
Corporate communication  
Intergovernmental Relations  
Free Basic Services  
HIV and AIDS Programme





**Title: Municipal Manager**  
**Name: Mrs. Nomalungelo Nomandela**



**Title: Senior Manager Operations**  
**Name: S.V Poswa (assumed duty on 21/01/19)**



**Title: Manager IDP**  
**Name: N A Mcingane**



**Title: Mr. Manager Legal Services**  
**Name: G Nomqode**



**Title: Manager Internal Audit**  
**Name: Ms. L Magayana**



**Title:** Council Secretary  
**Name:** Mr. L Ndamase



**Title:** Manager M & E  
**Name:** Mr. J Mabuya (deceased: 27 June 2019)



**Title:** Manager Communications  
**Name:** Mr. V Ndamase

**DEPARTMENT: BUDGET AND TREASURY OFFICE**  
**Functions of the Department**

- Budget Management and Reporting
- Revenue and Expenditure Management
- Supply Chain Management
- Asset Management



**Title:** Manager Budget and Treasury

**Name** Mr. M Mhlifili



**Title:** Chief Financial Officer

**Name:** Mr Bongani Benxa



**Title:** Supply Chain Manager

**Name:** Mr. Zimvo Madyibi



## DEPARTMENT: PLANING AND DEVELOPMENT

### Functions of the Department

LED and Tourism  
SMME and Cooperative  
Agriculture and forestry  
Spatial Planning  
Land Use Management  
Human Settlement  
Fire Fighting  
Natural Disasters  
Provision of Responsive Material



Title Senior Manager Planning & Development

**Name:** Mr. G.N Cekwana



**Title:** Manager Spatial Planning

**Name:** Mr.A.Zithutha



**Title:** Manager LED

**Name:** Ms. B Ngqongwa



Title: Manager Human Settlement

**Name :** Ms. F.Mgwedane

## **DEPARTMENT: COMMUNITY SERVICES**

### **Departmental functions:**

#### **Community Services**

Waste Management

Social programmes

Pauper programme

Amenities (pound and cemetery)

Early Childhood Infrastructure Programme

Library Services

#### **Public Safety**

Law enforcement

Security services

Traffic services

Drivers' License Testing Centre

Crime Prevention in partnership with SARS

Free Basic Services



**Title:** Manager Community Services  
**Name:** Rev J. Skhuni



**Title:** **Senior Manager Community Services**  
**Name:** Ms Z Masumpa



**Title:** Chief Law Enforcement Officer  
**Name:** Mr. M Mvanyashe

## DEPARTMENT: INFRASTRUCTURE

### Functions of the Department

Road construction  
Road maintenance  
Electrification Programme (internal budget and INEP)  
Coordination of Expanded Public Works Programme



**Name:** Mr. J Yengane  
**Title:** PMU Manager



**Name:** Mr Q.F. Q Madikida  
**Title:** Senior Manager Infrastructure



**Name:** Mr T. Matikita  
**Title:** Manager: Maintenance

## DEPARTMENT: CORPORATE SERVICES

Human Resource Development  
Administration  
Health and Wellness  
Maintenance of municipal buildings  
Information Communication and  
Technology  
Records Management



Ms. B Nodada  
Manager IDP & Administration



**Name:** Mr S Mvunelo  
**Title:** Senior Manager Corporate Services



**Name:** Mrs. T Tshisa  
**Title:** Manager Human Resources



## COMPONENT B: INTERGOVERNMENTAL RELATIONS

### 2.3 INTERGOVERNMENTAL RELATIONS: T2.3.0 –T2.3.4

Code	Indicator name	Indicate achievement	Achievement percentage during the year
4	Existence of an IGR strategy	The IGR Policy has been adopted	100%
5	Effective of IGR structural meetings	<p>The Municipality has a functional Intergovernmental Relations.</p> <p>Nyandeni Municipality is participating in the following IGR Structures</p> <ul style="list-style-type: none"> <li>• Participation in the District Mayors Forum</li> <li>• Participation in District Municipal Managers Forum</li> <li>• Participation in the District Planning Forum</li> <li>• Participation in the District Municipal Planning Tribunal</li> </ul>	75%
		<p><b>Support by the Provincial Government</b></p> <ul style="list-style-type: none"> <li>• The Provincial Treasury conducted Mid-year assessment and Bench marking sessions</li> <li>• COGTA supported the municipality with development of the Fraud Risk Management Plan.</li> <li>• The Office of the Premier has supported with R32 299 883 for Small Town Revitalization Programme</li> </ul>	100%
			100%

8	District support	<p>The Ortambo District Municipality continues to play a supporting role to its Local Municipalities. To this end the following support was received</p> <ul style="list-style-type: none"> <li>• <b>Municipal Planning-</b> A District Planning has been established to coordinate municipal planning as a function across the district</li> <li>• <b>Rural Roads Asset Management System</b> The municipality is implementing Rural Roads Asset Management System herewith referred as (RRAMS) to ensure reliable and efficient rural roads asset management system to ensure proper forward planning, proper costing and accounting for roads assets and maintenance. The system is a collaborative effort between ORTAMBO District Municipality and Department of Roads and Transport</li> <li>• <b>Job evaluation</b> The municipality is part of the O.R. Tambo District Job Evaluation Unit that is responsible for the evaluation of all Job Descriptions. Planning process for the implementation of job evaluation will be informed by Job evaluation outcomes. All posts in the organogram have job descriptions</li> <li>• <b>Integrated Service Delivery Model</b> The District Municipality has also supported the municipality on the implementation of ISDM</li> </ul>	100%
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## COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

### T2.4.0 OVERVIEW OF PUBLIC ACCOUNTABILITY AND PARTICIPATION

All wards have functional ward committees chaired by Ward Councilors. Ward Committees seat once in a month to discuss ward based service delivery issues. Ward Community Meetings are convened quarterly. In the year under review these committees have played a pivotal role in IDP process including identification of projects. Ward Councilors' Forum has been established as a platform to share information, to monitor and receive progress reports from wards.

## 2.4 PUBLIC MEETINGS

### T2.4.1 COMMUNICATION, PARTICIPATION AND FORUMS

Indicator name	Indicate achievement	Achievement percentage during the year
Existence of an effective communication strategy and policy	<p><b>Communication policy and strategy</b> The municipality has adopted a communication policy and strategy to ensure effective corporate communication</p> <p>As part of information dissemination, the municipality has produced and distributed 30 000 Newsletter Copies to various communities and stakeholders</p> <p><b>Establishment of the Communication Unit</b> Communication Unit has been established and comprised of 3 officials headed by the Manager Communication, who reports to the Senior Manager Operations</p> <p><b>On use of social media-</b> regular updates of Municipal Facebook Account for dissemination of information is done</p> <p>Establishment of Rapid Response teams that responded to hot spot areas before and on the day of 8 May 2019 national elections.</p> <p>Issuing of media releases</p> <ul style="list-style-type: none"> <li>• during protest marches and daily media updates on protest marches.</li> <li>• Coverage of hot spots during the Election Day.</li> <li>• Municipal activities</li> <li>• Radio interviews and live broadcasts held on 5 July 2018</li> </ul> <p>Municipal Website- the municipal website has been revamp to give a new feel and look and more user friendly.</p>	100%
Number of mayoral Imbizos conducted	<p>A Mayoral Imbizo was held from the 29 November 2018 to 4 December 2018. The purpose of the Imbizo was to give community feedback on service delivery related issues.</p> <p>The IDP and Budget Public Hearings were conducted on 10 - 24 April 2019</p>	100%

## Ward Committee's establishment and functionality

Indicator name	Indicate achievement	Achievement percentage during the year
% of ward committees established	The municipality has 32 wards with 320 Ward Committee Members functional and participates actively in the Integrated Development Planning Processes.	100%
% of ward committees that are functional	Ward Committee training was convened in collaboration with OR TAMBO DM focusing on ward communication, mediation and conflict resolution. 100 committee members participated. Village meetings are convened monthly and Ward General Meetings are held once a quarter	100%
Existence of an effective system to monitor CDWs	28 CDW's has been appointed in various wards with the exception of the following wards , Ward, 8, 14, 29, 8 and 22.	
Back to Basics	The municipality has adopted and implementing Civic Education Programme at ward level. The purpose of the civic education programme is to educate and create awareness on municipal	80%

Indicator name	Indicate achievement	Achievement percentage during the year
	developmental programmes as well articulating the role and responsibilities of communities in a developmental local government	
	Support to ward committees a) Allocated cell phones to all Ward Committees members b) R1500.00 stipend paid monthly to 32 Ward Administrators c) R1500.00stipend paid monthly to 320 Ward Committee members d) The municipality is further responsible for Ward Committees transport cost when attending Municipal activities	100%

## T2.4.2: MEETINGS OF WARD COMMITTEES

WARD CALENDER DATES FOR 2018/2019												
WARD	JULY 2018	AUGUST 2018	SEPTEMBER 2018	OCTOBER 2018	NOVEMBER 2018	DECEMBER 2018	JANUARY 2019	FEBRUARY 2019	MARCH 2019	APRIL 2019	MAY 2019	JUNE 2019
1	13	15	13	16	14	05	28	12	11	17	16	18
2	17	14	12	16	15	05	09	13	18	16	17	11
3	13	13	13	12	13	03	10	12	10	10	14	13
4	09	07	10	09	13	04	10	12	19	08	15	18
5	13	14	14	16	15	04	04	15	12	15	15	13
6	06	10	07	05	09	06	04	08	08	05	10	07
7	09	10	07	05	09	05	09	05	05	08	07	10
8	12	13	12	12	12	05	07	12	12	12	13	13
9	16	13	17	15	12	03	14	18	18	15	13	17
10	13	16	14	12	16	05	07	15	15	12	16	14
11	17	17	14	16	13	11	15	15	15	16	14	14
12	06	06	16	1	06	04	04	06	06	05	06	06
13	09	15	19	17	14	03	10	15	15	17	15	14
14	12	13	12	12	12	04	09	12	12	12	13	12
15	09	06	10	08	05	10	07	04	04	08	06	10
16	09	15	16	12	13	28	08	19	22	17	05	18
17	16	15	11	10	15	06	08	13	14	15	14	12
18		15	19	17	19	05	07	18	18	18	16	18
19	12	14	10	11	12	06	07	12	11	10	08	12
20	11	06	10	08	12	03	07	11	04	08	13	10
21	10	07	06	11	08	04	09	12	14	09	09	11
22	16	17	17	18	16	05	09	15	15	18	17	18
23	13	10	13	12	09	07	11	08	08	12	10	07
24	12	13	12	12	12	04	09	12	12	12	13	12
25	10	07	11	09	13	11	08	12	12	09	07	11
26	18	17	18	18	16	05	17	18	18	18	17	18
27	17	03	04	04	09	06	10	12	14	03	10	13
28	14	18	05	15	19	05	09	09	09	03	05	18
29	09	10	10	09	12	04	04	11	11	12	10	10
30	09	06	10	08	05	03	08	05	05	09	07	04
31	21	13	07	12	12	04	10	11	11	15	15	18
32	16	16	13	17	14	05	09	15	14	18	16	18

WARD CALENDER FOR COMMUNITY MEETINGS 2018/2019												
WARD	JULY 2018	AUGUST 2018	SEPTEMBER 2018	OCTOBER 2018	NOVEMBER 2018	DECEMBER 2018	JANUARY 2019	FEBRUARY 2019	MARCH 2019	APRIL 2019	MAY 2019	JUNE 2019
1	31	08	12,07	03,10	13	04	03	06	23,05	03,10	01	14
2												
3	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	17
4	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
5	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
6		14 16						19				
7	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
8	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
9		08						26		10	29,02	
10	05,07	19,28	06,12		11	Nil	20	08	08,13	11	16	Nil
11		06,08,13,14,16		03,10,09,		09,10,11		21,22,25	15,29	23,16 19	01	14,26,13
12	Nil	07	Nil	05	09	Nil	Nil	03	Nil	10	Nil	05
13	Nil	08 29	Nil	16	14	Nil	19	Nil	01	Nil	Nil	07
14												
15	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
16	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
17	Nil	21	Nil	Nil	12	Nil	Nil	11	Nil	16	03	14
18	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
19								24				
20	03	08	18	08	06	06	03	18	18	09	17	03
21	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
22	Nil	15	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
23	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
24	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	05	Nil	Nil
25	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Ni	Nil	Nil	Nil
26	10	21	15	07,17	27	11	21	06		29,11		01
27	Nil	Nil	Nil	Nil	Nil	Nil	Nil	14	Nil	Nil	Nil	Nil
28	16	Nil			29	01,06	Nil		Nil	11	16	Nil
29	08		05	05	06	10,07,12	06		20	Nil	06	12,05
30	Nil	08,14,04	06	Nil	Nil	Nil	28,09	20	07	Nil	28	Nil
31	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
32			19		08		23		Nil	24	Nil	Nil

## 2.4. 3 Public Meetings

To be updated in the final report

### 2.4.3.1 Comment on the effectiveness of Public Meetings.

To be updated in the final report

## 2.5 IDP PARTICIPATION AND ALIGNMENT

### T2.5.1

IDP Participation and Alignment Criteria*				Yes/No
Does the municipality have impact, outcome, input, output indicators?				Yes
Does the IDP have priorities, objectives, KPI's, development strategies?				Yes
Does the IDP have multi-year targets?				Yes
Are the above aligned and can they calculate into a score?				Yes
Does the budget align directly to the KPIs in the strategic plan?				Yes
Do the IDP KPIs align to the Section 56 Managers				Yes
Do the IDP KPIs lead to functional area KPIs as per the SDBIP?				Yes
Do the IDP KPIs align with the provincial KPIs on the 12 Outcomes				Yes
Were the indicators communicated to the public?				Yes
Were the four quarter aligned reports submitted within the stipulated time frames?				Yes
*Section 26 Municipal Systems Act 2000:				
Overall satisfaction with:				
(a) Municipality				yes
(b) Municipal Service Delivery				yes
(c) Mayor				yes
Satisfaction with				
(a) Refuse Collection				yes
(b) Road Maintenance				yes
(c) Electricity Supply	Some period protests			yes
(d) Water Supply	District Municipality function			no
(e) Information Supplied by Municipality to the Public				yes
(f) Opportunities for consultation on municipal affairs				yes



\*The percentage indicates the proportion of those surveyed that believed that relevant performance was at least satisfactory

## **COMPONENT D: CORPORATE GOVERNANCE**

The municipality promotes good corporate governance through risk management; anti-corruption and fraud as well fair and equitable supply chain management system

### **2.6 RISK MANAGEMENT:**

#### **T2.6.1 RISK MANAGEMENT**

MFMA section 62 (i) (c) requires a municipality to have and maintain an effective, efficient and Transparent system of risk management. Risk Management Unit was established and appointment of Risk Management Officer was done in May 2013 and is functional reporting to the Office of the Municipal Manager. Risk Management Framework, Policy and Risk Management Charter developed and approved. Risk Management Committee has been established and is composed of all Senior Managers. Mr. Bongani Mbewu has been re-appointed as the chairperson of the Risk Committee for a period of three years commencing March 2018 to March 2021

The Municipality Identified the Strategic Risk and Operational Risk for 2018/2019 Financial Year. The following top ten risks were extracted from strategic risk register. Action Plans with time frame was made for both strategic and operational risk register in order to that risk are mitigated.

The Risk management plan, risk committee management charter, risk management strategy and risk profile have been developed and submitted to audit committee and Council

#	Risk Description	Risk Category	Risk Rating
1	In-effective implementation of PMS	Performance Management Risk	High
2	Inadequate implementation of ICT Governance Framework	Compliance Risk	High
3	Failure to optimise the existing revenue streams.	Financial Risk	High
4	Non compliance with legislations, act and by-laws	Compliance Risk	High
5	Delays in project implementation	Service Delivery Risk	High

## MEETINGS OF THE RISK COMMITTEE

NATURE OF A MEETING	DATE
Ordinary Risk Committee Meeting	21 August 2018
Ordinary Risk Committee Meeting	19 October 2018
Ordinary Risk Committee Meeting	19 March 2019
Ordinary Risk Committee Meeting	10 June 2019

## 2.7 ANTI-CORRUPTION AND FRAUD

### T2.7.1 FRAUD AND CORRUPTION STRATEGY

Fraud Risk Management Policy and Whistle Blowing Policy has been adopted by Council on 28 June 2018. Fraud and Ethics awareness campaign for employees and councilors was conducted on 22-24 May 2019.

A Fraud Risk Register is maintained, monitored on a quarterly basis and tabled to the governance oversight structures such as Risk Management Committee and Audit Committee.

The Council has further established the Disciplinary Board for Financial Misconduct composed of 5 part time members to assist the council to investigate allegations of financial misconduct – as per Section 175 of the MFMA;

#### Establishment of the Disciplinary Board

The Council has further established the Disciplinary Board for Financial Misconduct on 27 June 2019 composed of 5 part time members to assist the council to investigate allegations of financial misconduct – as per Section 175 of the MFMA;

Section 4 (1) of the Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings states directs that a municipality must establish a disciplinary board to investigate allegations of financial misconduct in the municipality or municipal entity, and to monitor the institution of disciplinary proceedings against , or any other relevant transgressor

S(4)(2) A disciplinary board is an independent advisory body that assist the council with the investigation of allegations of financial misconduct in the municipality and to provide

recommendations on further steps to be taken regarding disciplinary proceedings, or any other relevant steps to be taken

## **2 8 SUPPLY CHAIN MANAGEMENT**

### **T2.8.1 OVERVIEW SUPPLY CHAIN MANAGEMENT**

The Municipality reviewed Supply Chain Management (SCM) Policy on the 30<sup>th</sup> May 2018 aimed at assisting service delivery in a cost effective manner. The Supply Chain Management Unit has been fully established, all posts in the SCM are filled. Training of Bid Committees and SCM officials has been conducted. SCM related issues raised by the Auditor General's report of 2017/18 have been addressed. Implementation of Central Data Base (CSD) has been implemented effective from the first of July 2016 in accordance with MFMA Circular No. 81. As part of Tax Reforms the municipality has also implemented Tax Directive with effective from 18 April 2016 (SARS Tax Compliance Status System).

The Auditor General Findings in relations to SCM controls and remedial action will be put in place to rectify issues raised in the report

## 2.9 BY-LAWS

### T2.9.1BY-LAWS INTRODUCED IN 2018/19

Revised	Public Participation Conducted Prior to Adoption of By-laws (Yes/No)	Dates of Public Participation	By-Laws Gazetted* (Yes/No)	Date of Publication:
By-law for the Hire and Use of Community Halls, Arts and Culture facilities	Yes	28 September 18	Yes	24 June 2019
Credit Control and Debt Collection By-Law	Yes	28 September 18	Yes	24 June 2019
Credit Management By-Law	Yes	28 September 18	Yes	24 June 2019
Funeral Undertakers By-laws	Yes	28 September 18	Yes	24 June 2019
By-law relating to Nuisances	Yes	28 September 18	Yes	24 June 2019
By-Laws relating to the removal of refuse	Yes	28 September 18	Yes	24 June 2019
Cemetery By-Laws	Yes	28 September 18	Yes	24 June 2019
Library and Information services By-Laws	Yes	28 September 18	Yes	24 June 2019
Parking Grounds By-Laws	Yes	28 September 18	Yes	24 June 2019
Pound By-Laws	Yes	28 September 18	Yes	24 June 2019
Public Spaces By-Laws	Yes	28 September 18	Yes	24 June 2019
Waste Management By-Laws	Yes	28 September 18	Yes	24 June 2019
Liquor Trading By-Law	Yes	28 September 18	Yes	24 June 2019
Undeveloped Sites By-Laws	Yes	28 September 18	Yes	24 June 2019

## 2.10 WEBSITE

### T2.10.1 MUNICIPAL WEBSITE: CONTENT AND CURRENCY MATERIAL

Municipal Website: Content and Currency of Material		
Documents published on the municipality's / Entity's website	Yes / No	Publishing Date
Current annual and adjustments budgets and all budget-related document	Yes	May 2018 & January 2019
All current budget-related policies	Yes	June 2018
The previous annual report (Year -1)	Yes	January 2019
The annual report (Year 0) published/to be published	-	-
All current performance agreements required in terms of section 57(1)(b) of the Municipal Systems Act (year0) and resulting scorecards	Yes	July 2018
All service delivery agreements (Year 0)	Yes	Dec 2018
All long-term borrowing contracts (Year 0)	n/a	n/a
All supply chain management contracts above a prescribed value (give value) for Year 0	yes	Quarterly
An information statement containing a list of assets over a prescribed value that have been disposed of in terms of section 14 (2) or (4) during year 1	yes	July 2018
Contracts agreed in Year 0 to which subsection (1) of section 33 apply, subject to subsection (3) of that section	n/a	n/a
Public-private partnership agreements referred to in section 120 made in Year 0	n/a	n/a
All quarterly reports tabled in the council in terms of section 52 (d) during Year 0	Yes	Quarterly
Publication of the approved Service Delivery and Budget Implementation Plan for 2016/2017 financial year	yes	July 2018

Publication of the approved Service Delivery and Budget Implementation Plan for 2015/2016 financial year	yes	July 2018
Publication of the quarter 1 performance information report together with MFMA s52(d) report	Yes	October 2018
Publication of the Mid-year Assessment report, adjustment budget and revised SDBIP	Yes	February 2018
Publication of the quarter 3 performance information report together with MFMA s52(d) report	Yes	April 2019
Publication of the quarter 4 performance information report together with MFMA s52(d) report	Yes	August 2019
Publication of the Annual Report for the period ending 30 June 2018	Yes	
<i>Note: MFMA s75 sets out the information that a municipality must include in its website as detailed above. Municipalities are, of course encouraged to use their websites more extensively than this to keep their community and stakeholders abreast of service delivery arrangements and municipal developments.</i>		

## 2.11 PUBLIC SATISFACTION ON MUNICIPAL SERVICES

There were no public surveys done in the year under review.

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE REPORT PART1

### COMPONENT A: BASIC SERVICES

#### T3.1.0: INTRODUCTION TO BASIC SERVICES:

Service delivery in the municipality is basically about addressing backlogs that were inherited during and after democratic achievement by the state. Basic services are provided through access to electricity, water, waste water (sanitation), roads, solid waste management, housing (human settlement), and community centers. The municipality has approximately achieved 99% access to electricity which makes it possible to achieve the universal access to electricity by 2019. In the financial year 2018/19 historical backlog will be addressed through projects that are implemented by both ESKOM and Municipality. The

municipality works with ESKOM to provide and construct for electricity provision. The municipality also works with Department of Economic Development, Environmental Affairs, and Tourism to ensure the municipality complies with the new NEMA regulations. The municipality with DEDEAT and South African National Parks ensures that the municipality does not transgress to environmental legislations and preserve the environment. Department of Roads and Transport (DORT) operate with the municipality to ensure maintenance of roads and bridges is provided through Roads Forum. The municipality has achieved the planned kilometers in both maintenance and construction. The municipality has a satisfactory coverage for roads accessibility though there are major challenges with budgets on projects funded and managed by DORT.

The water is provided by OR Tambo District for both maintenance and capital programs. The district municipality is both the service provider and water service authority. Department of Human Settlement (DoHS) is responsible for budgeting for houses that are to be built with the municipal area. The coverage is below demand as there is a slow programme when the projects are on construction. The municipality works with DoHS through housing strategy to ensure that houses identified for housing construction are informed by Housing Sector Plan.

In the year under review NLM accessed funds through Office of the Premier (OTP) under programme of small town's revitalization (STR) through STR programme we have managed to surface internal roads in both towns from gravel to surfaced roads. The programme is used on five classes which are roads, water, waste management, transport, electricity. Under these classes NLM implemented projects and was funded for each class and projects implemented are Surfacing of Internal roads, and Surfacing of T301 linking Libode and Ngqeleni (Roads); Landfill site (Waste Management); Transport Hub (Transport); street lighting and high mast (Electrification). The programme has contributed massively on creating job opportunities through construction and built infrastructure will contribute to investment attraction. Contribution of programme has also been positive on improving aesthetic view of towns and cleanliness is also experienced.

### **3.1 WATER PROVISION AND 3.2 WASTE WATER/ SANITATION**

#### **T3.0.1-3.2.10**

**The District Municipality is both Water Services Authority and Water Services Provider.** The following information has been received from OR Tambo District Municipality for their annual performance during the financial year under review. OR Tambo provides the information through standing committees and formal and informal meetings when requested by Nyandeni Local Municipality. OR Tambo District Municipality is invited and provides presentation of progress and planned projects for the MTEF period. The OR Tambo plans on its IDP for the projects and does not directly plan with NLM during planning processes. Financial management of all water services (Provisioning and authorization) lies with OR Tambo DM. Rates regarding water and sanitation are collected and managed by OR Tambo DM without involvement of NLM.



The Roads and Electricity forums organized by OR Tambo DM are used as platforms where Nyandeni LM engages with the district and escalate their priorities and challenges on projects being implemented and the ones that are to be implemented under planning. The platform also assists the District Municipality to understand areas that need primary attention on maintenance challenges on the existing infrastructure. District Municipality uses the platform to inform the Municipality of their plans and their change in plans if they are to change any plans during financial year based on budget availability.

Maintenance staff from OR Tambo DM is based at our offices for maintenance and they are seconded for our municipal maintenance of water and sanitation.

### 3.3 ELECTRICITY

#### T3.3.1 INTRODUCTION TO ELECTRICITY

Eskom is the licensed distributor of electricity; however, the Municipality accesses the funding directly from the Department of Energy through National Electrification Programme under schedule 5 (b). The municipality does not have the distributing license hence all electricity infrastructure is handed over to ESKOM after completion of construction. . We did not achieve the 2014 target for electrification due to financial constraints. Currently the municipality has an access of 99% electricity. The access of 99% is dominated by Grid network due to confidence posed in it by public. As a municipality we had initially piloted wind energy which has failed and that has led to community satisfaction being favorably towards grid. Through IGR ESKOM is invited to present their projects and planning for the MTEF. Households without access to electricity are provided an alternative energy through the Free Basic Services Programme.

Under non-grid we have constructed and provided access to 1950 households which is marginally (>5% of the overall population) Construction for household electrification is outsourced to Contractors and the funding is provided by Department of Energy. Through indigent register we also provide access to energy with household provisioning gas and gas stove. We also refill gas to the households that were provided with gas previous years.

- a) **GRID ELECTRIFICATION:** The main objective is to provide access to energy as per Constitutional mandate. Through this government intends to address historical backlog and provide access. In 2018/19 The Department of Energy herewith referred to as DoE allocated R 18.1 million and with this amount we have constructed infrastructure for 799 to households and they are not yet energized. In 2016/17 and 2017/18 financial year, an amount of R15 million has been committed through DORA to expedite provision of electricity in rural areas without electricity. Allocated budget for the previous year provided infrastructure to 799 households. All this was provided through grid electrification by the municipality and has not yet been energized. All this infrastructure was provided by the municipality through schedule 5 (b) of the DORA allocation. Additional 1139 households have been also provided with infrastructure through ESKOM in previous years

All households implemented under ESKOM have been provided with infrastructure. The total budget allocated by ESKOM was R 23 963 189, 21 for connection of 1172 households. We are left with 1% of historical backlog from 2018/19 financial year and continue with implementation of electrical provision for infill's and extension. For next financial year 2019/20 ESKOM has planned to construct and provide 1000 households (extensions and infills). ESKOM has allocated budget of R 25 million (900 HH) for next financial year of 2019/20 to achieve historical backlog. NLM has allocated R15 million for 2019/20 targeting to achieve 600 households.

The following projects on electrification were implemented in the year 2018/19 financial year.

**ESKOM Projects 2017/18**

Municipality	Project Name	Project Type	Y-E Plan Capex	Y-E Plan H/H	YTD Capex ( Sept)	YTD Conn (Sept.)
<b>Nyandeni</b>	Construction of Infrastructure for 518 Households in Wards 07, 15 and 18	Household	R 12 100 000.00	518	R 1 700 000.00	0
	Completed Construction of Infrastructure for 73 Households Busy with Additional 13 Households in Ward 20 (Egoli)	Household	R4 000 000.00	86	R 3 600 000.00	0
	Completed Construction of Infrastructure for 208 Households in Ward 20 (Bhucula Mdzwina)	Household	R 2 000 000.00	512	R 1 500 000.00	0
<b>Total Nyandeni</b>			<b>R 18 100 000.00</b>	<b>1116</b>	<b>R 6 800 000.00</b>	<b>0</b>

**ESKOM Projects 2018/19**

Munic	Project Name	Project type	Planned CAPEX	Planned H/H
Nyandeni	Ncithwa Extensions	Household	R2 350 000.00	100
	Ncithwa Link Line	Infrastructure	R1 120 000.00	0
	Nyandeni Ward Ext Ph1	Household	R9 400 000.00	400
	Nyandeni Ward Ext Ph1 Link Line	Infrastructure	R1 120 000.00	0
	Nyandeni Ward Ext Ph2	Household	R7 990 000.00	340
	Nyandeni Ward Ext Ph2 Link Line	Infrastructure	R1 120 000.00	0
	Nyandeni Pre Eng	Pre-Engineering	R 363 392.63	0
	Nyandeni Type 1 Infill's	Infill's	R1 578 712.63	200
<b>Total</b>			<b>R 25 042 105.26</b>	<b>1040</b>

## Nyandeni Electrification Projects

### 2019/20 financial year for Nyandeni LM

Total Households	Status	Budget
1243 constructed	Construction of Infrastructure for 160 Households/extensions in Wards 07, 15, and 18	R 4 000 000.00
Historical Backlog below 1%	Construction of Infrastructure for 556 Households/extensions in Wards 02, 06, 17, and 19 by 30 June 2020	R 11 000 000.00
6 High Masts Installed and maintained	Development of Detailed Design Report for high masts and streetlights	R 400 000.00
<b>TOTAL</b>		<b>R15 400 000.00</b>

#### b) **NON-GRID ELECTRIFICATION:**

For 2018/19 financial the Municipality applied for 1050 and ultimately DoE completed the approved 950 households from 950 implemented in the previous financial year. With the approval of DoE we have managed to implement various wards 04, 05, 08, 17, and 27. DoE contributes towards sustainable development as it reduce the required output from the grid and becomes one of the contributing factors towards reduction of climate change. The programme is managed through monthly meetings that are held between DoE, Municipality, and Ward Councillors.

For previous financial year we have managed to complete the following areas

Ward	Village Name	Number of H/H
17	Mdumazulu	100
16	Mafini	120
	Msinsini	115

	Mkhankatho	221
	Siwele	300
	Mqwanini	200
	Dalaguba	100
	Njova	80
<b>Total</b>		<b>1236</b>

**Challenges majorly experienced in electrification are as follows:**

- I. Sparsely populated households;
- II. Funding allocation strategy developed to be bias towards densely populated areas therefore affecting rural municipalities;
- III. Rapid Growth on population during construction of electrification programme;
- IV. Inaccuracy of Indigent register to inform and guide development;
- V. Delays by ESKOM to provide outages and energize existing infrastructure;
- VI. Delay in supply of meters by ESKOM;
- VII. Mountainous terrain increasing rate per household connection due to terrain;

**T3.3.4 HOUSEHOLDS-ELECTRICITY SERVICE DELIVERY LEVELS BELOW MINIMUM**

Description	Year -3 (15/16)	Year -2 (2016/17 FY)	Year -1 (2017/18)	Year 0 (2018/19 FY)		
	Actual No.	Actual No.	Actual No.	Original Budget No.	Adjusted Budget No.	Actual No.
<b>Formal Settlements</b>						
Total households	R0.00	R11 250 000.00 NLM R28 251 745.85 ESKOM	R15 000 000.00 NLM R25 042 105.26 ESKOM	R18 189 000.00 NLM R 23 963 189.21 ESKOM	R0.00	R18 189 000.00 NLM R 23 963 189.21 ESKOM
Households below minimum service level	0	0	1 498	2 821	0	1 971
Proportion of households below minimum service level	0	0	0	0	0	0
<b>Informal Settlements</b>						
Total households	<b>1424 NLM</b>	<b>1544 NLM</b>	<b>458 NLM + 1040 ESKOM</b>	<b>1187 NLM + 1634 ESKOM</b>	<b>0</b>	<b>799 NLM + 1172 ESKOM</b>

		<b>1616 ESKOM</b>				
Households below minimum service level	R 25 000 000 NLM	R11 250 000.00 NLM R28 251 745.85 ESKOM	R15 000 000 NLM R25 042 105.26 ESKOM	R15 000 000 NLM R23 963 189.21 ESKOM	R 0.00 R0.00	R15 000 000 NLM R23 963 189.21 ESKOM
Proportion of households below minimum service level	2%	100%	100%	100%	100%	100%

### T3.3.5: ELECTRICITY SERVICE DELIVERY POLICY OBJECTIVES FROM IDP:

Strategic Focus Area (MM)	Outcomes Indicator (5 years)	Output Indicator(2018-2019)	Revised indicator							
				Annual Target	Revised Annual Target	Ward	Actual Performance	Achieved / Deviated	Reason for Deviation	Corrective Measure
Energy	Access to Electricity	Number of Households With Access to grid Electrification		Construction of Infrastructure for 909 Households in Wards 07, 15, 17, 18, 19,	—	07, 15, 17, 18, 19, 20	Construction of Infrastructure for 518 Households in Wards 07, 15 and 18	Deviated	Cost per connection funded by DoE was not sufficient to cover 909 households	Ward 17 & 19 will be covered under 19/20 FY
				Complete Construction of Infrastructure for 70 Households in Ward 20 (Egoli)	—		Completed Construction of Infrastructure for 73 Households Busy with Additional 13 Households in Ward 20 (Egoli)	Achieved	—	—
				Complete Construction of Infrastructure for 208 Households in Ward 20 (Bhucula Mdzwina)	—		Completed Construction of Infrastructure for 208 Households in Ward 20 (Bhucula Mdzwina)	Achieved	—	—

Strategic Focus Area (MM)	Outcomes Indicator (5 years)	Output Indicator(2018-2019)	Revised indicator							
				Annual Target	Revised Annual Target	Ward	Actual Performance	Achieved / Deviated	Reason for Deviation	Corrective Measure
		Number of Households provided with non-grid electrification		Install Non-Grid 950 Households in wards 04, 05, 08, 17, 18, 27	–	04, 05, 08, 17, 18, 27	No Installation of Non-Grid 950 Households in wards 04, 05, 08, 17, 18, 27	Deviated	No Budget Provided by DOE	Re-submit application to DOE by August August 2019_

### T3.3.6 Employees: electricity Services

Employees: Electricity Services :T3.3.6						
	17/18		18/19			
TASK GRADE	EMPLOYEE NO	POSTS NO.	EMPLOYEE NO.	VACANCIES NO.	VACANCIES AS %	
8	1	1	1	0	0	
11	2	2	2	0	0	
TOTAL	3	3	3	0	0	

### T3.3.7 Financial Performance : Electricity Services

Financial Performance Year 2019: Electricity Services						R'000
Details	2018	2019				
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget	
Total Operational Revenue	15000	16105	18189	18189	0%	
Expenditure:						
Employees	354	-	-	-	0%	
Repairs and Maintenance	313	-	-	-	0%	
Other	13875	18189	22208	16051	-28%	
Total Operational Expenditure	14542	18189	22208	16051	-28%	
Net Operational Expenditure	-458	2084	4019	-2138	-153%	
Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.						T 3.3.7





### T3.3.8 Capital Expenditure: Electricity Services 2018

Capital Expenditure Year 2018: Electricity Services					
R' 000					
Capital Projects	2019				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	-	-	-	#DIV/0!	
High Mast	-	-		#DIV/0!	0
Project B					
Project C					
Project D					
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).					T 3.3.8

### T3.3.9 COMMENT ON OVERALL ELECTRICITY SERVICES

Provision of electricity infrastructure is progressing well except that most often outages are slower, however continuous engagements with ESKOM are ongoing. More backlogs are with new extensions as historic backlog is only 1%

## 3.3 WASTE MANAGEMENT (THIS SECTION TO INCLUDE: REFUSE COLLECTIONS, WASTE DISPOSAL, STREET CLEANING AND RECYCLING)

### T3.4.1: INTRODUCTION TO WASTE MANAGEMENT

In terms of the South African Constitution (Act No. 108 of 1996), waste management services delivery is a local government function. Municipal Systems Act, 2000 gives guides for refuse collection and disposal. Hence, therefore Nyandeni Local Municipality is responsible for providing refuse removal service to its area of jurisdiction. Waste removal services refer to removal of general waste which can be grouped into domestic waste, commercial waste and garden waste.

Refuse removal service is provided to two urban areas Libode and Ngqeleni. This service is mainly provided in the municipal area that covers commercial and residential areas. The service has been expanded to Ntlaza, Ziphunzana (drop-off centers in the use of skip bins), St. Barnabas Hospital, Taxi Ranks (both Libode and Ngqeleni), Corana (drop-off centers in the use of skip bins) and Mt. Nicholas JSS. Refuse skip bins are used as drop-off centers along N2 and R61 routes (Ziphunzana and Corana) also for business collection and retail shops. Nyandeni Local Municipality had purchased an additional skip loader truck to speed up service collection in our areas. A refuse compactor truck is used for waste collection in refuse bags and transported to the waste disposal site at King Sabatha Dalindyebo Local Municipality (Mthatha) since construction of Libode Landfill site has not completed.

In an effort to follow-up on the waste management hierarchy three (03) landfill assistance have been hired and two (2) parks and garden assistance.

### T3.4.2 Solid Waste Service Delivery Levels

Council has also adopted the following service standards to ensure efficiency and effectiveness in service delivery. The communities can also use these standards to hold council accountable

Description	Service Standard
Refuse Collection on Business	Everyday
Refuse collection Residence	Once a week
Refuse Collection Outside Town (peri-urban)	Twice a week per area
Refuse Collection after the event (as per pre-request)	1 (day after)

### T3.4.4 Waste Management Objectives taken from the IDP

Strategic Focus Area (MM)	Outcomes Indicator (5 years)	Output Indicator(2018-2019)	Revised indicator							
				Annual Target	Revised Annual Target	Ward	Actual Performance	Achieved / Deviated	Reason for Deviation	Corrective Measure
Environmental Management	Promotion of safe and healthy environment through pound and cemetery management services, and proper disposal of waste by 30 June 2022	Constructed landfill site at Libode as per business plan by 30 June 2019	Progress(Percentage) of construction Libode landfill site	Construction of Landfill Site in Ward 08 Libode by 30 June 2019	Construction Progress (60%) of Libode Landfill Site in Ward 08 Libode by 30 June 2019 (Complete 3 of 5 Activities) 1. Establishment 2. Earthworks 3. Roads and Stormwater 4. Buildings 5. Landscaping	8	Construction Progress at (Average 89%) of Libode Landfill Site in Ward 08 Libode by 30 June 2019 (Completed 3 of 5 Activities, and implemented 2 activities that are above 50%) 1. Establishment (100%) 2. Earthworks (100%) 3. Roads and Stormwater (60%) 4. Buildings (85%) 5. Landscaping (100%)	Achieved	—	—

Strategic Focus Area (MM)	Outcomes Indicator (5 years)	Output Indicator(2018-2019)	Revised indicator							
				Annual Target	Revised Annual Target	Ward	Actual Performance	Achieved / Deviated	Reason for Deviation	Corrective Measure
		Operational waste transfer station at Ngqeleni		Installation of recycling equipment at the waste transfer station (Waste Hierarchy)	<i>Target removed from the SDBIP</i>	–	–	–	–	–
		Report on the implementation of the Integrated Waste Management Plan on training to Waste Cooperatives and landfill site audits and number of awareness campaigns conducted	Assessed and reviewed Integrated waste management plan(IWMP)	Assess and review of the Integrated waste management plan(IWMP)	–	–	The IWMP could not be reviewed due to none availability of key stakeholders.	Deviated	None availability of the key stakeholders invited for the second phase engagement of the IWMP review session.	To be done in quarter 1 of 2019/2020 financial year.
		Established mini-park at Ngqeleni and beautified open spaces in both towns		Landscaping and Beautification of the identified Open Spaces in both towns: (one open space at Libode and one open space at Ngqeleni) by 30 June 2019	<i>Target removed from the SDBIP</i>	07 & 21_	–	–	–	–

### T3.4.5: & T3.4.6 Employees: Solid Waste Management Services

EMPLOYEE :WASTE DISPOSAL AND OTHER:T3.4.6			Year 0= 18/19		
JOB LEVEL	EMPLOYEE No YR 17/18	POSTS NO.	EMPLOYEE NO.	VACANCIES NO.	VACANCIES AS %
3	32	38	33	5	1,9%
4	3	3	3	0	0%
6	2	2	2	0	0%
7	2	3	3	0	0%
11	2	2	1	1	0,2%
<b>TOTAL</b>	<b>41</b>	<b>48</b>	<b>42</b>	<b>6</b>	<b>0,48%</b>

### T3.4.7: Financial Performance

Financial Performance Year 0: Solid Waste Management Services - Included with community and other						R'000	
Details	Year -1	Year 0					
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget		
Total Operational Revenue	188	745	272	6	899	5	692%
Expenditure:							
Employees	-			9328		7063	100%
Repairs and Maintenance	6		111	782		150	35%
Other	719		1115	6890		5997	438%
Total Operational Expenditure	725		1226	17000		13210	977%
Net Operational Expenditure	537		481	10728		7311	1420%
Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.							
T 3.4.7							

### T3.4.8 Financial Performance Year 2018-19 Waste Disposal

Financial Performance Year 0: Waste Disposal and Other Services Included with community and other						R'000
Details	Year -1	Year 0				
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget	
<b>Total Operational Revenue</b>	95	125	100	95		-24%
Expenditure:						
Employees	248	244	250	248		2%
Repairs and Maintenance	248	244	250	248		2%
Other	248	244	250	248		2%
<b>Total Operational Expenditure</b>	744	732	750	744		2%
<b>Net Operational Expenditure</b>	649	607	650	649		7%

### T3.4.9 Capital Expenditure: 2018/19

Capital Expenditure Year 0: Waste Management Services Included with community and other					
R' 000					
Capital Projects	Year 0				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	11600	4371	1469	-690%	
Landfill Site	11600	4371	1469	-690%	
Project B					
Project C					
Project D					
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).					

T 3.4.9

### T3.4.10 Comments on Overall Performance

#### COMMENT ON WASTE MANAGEMENT SERVICE PERFORMANCE

##### Transfer Station

A Waste Transfer Station has been constructed and finalized for the benefit of sorting and recycling. An agreement has been signed between Nyandeni Municipality and O.R.Tambo District Municipality for the operation of the transfer station

##### Landfill Site

Landfill site for waste management is under construction since 2018 and will be completed in September 2019. Record of decision by Department of Environment, Forestry and Fisheries was issued in 2018 to approve implementation of construction. Construction of leachate cell, storm water cell and waste cell have been constructed with roads under construction. Guard house with scale for measurement of waste and measurement of waste tons is completed and has been calibrated for testing effectively. Construction for all the project including fencing will be completed by end of September and the landfill site will start to operate with transfer station being used to transfer classified waste from station to landfill site.

Qiqq to provide latest information

## 3.5 HOUSING

### T3.5.1: INTRODUCTION TO HOUSING

#### **A. Human Settlements and town planning services delivery strategy and main role-players**

The Municipality, through the development of an Integrated Development Plan, and through community consultation and engagements make provision for the development of houses for both rural and urban areas. Through these engagements, the needs of the communities are taken for prioritization and incorporated into the IDP. During the year under review the Municipality reviewed Housing Sector Plan. Housing Sector Plan is a strategic document that guides the development of sustainable human settlements and would then be the Chapter in the IDP.

Municipality, through its prioritization identifies areas for development, and for which applications will be made to the Provincial Department for funding. The Provincial Department of Human Settlements is responsible for the approval of applications for housing development responding to municipal requests and for the allocation of funds for projects (urban, rural, emergency and destitute). Department of Human Settlements serves as Developers and appoints contractors to construct houses.

The municipality also plays vital role together with ward councilors, ward committees and traditional leaders to identify qualifying beneficiaries and identification of land. Local municipality is also responsible for beneficiary administration (application processes), housing consumer awareness's and transfers, facilitates the development all housing projects, close monitoring in terms of inspections (quality control on construction of houses), develop, update and monitor Housing Needs Register. When the construction of houses is complete, Local Municipality and Department of Human settlements hand over the houses to the beneficiaries through signing of Happy Letters.

When the incidents of disaster happen, Municipal officials together with the Disaster Management satellite office of O.R. Tambo District Municipality Conduct Disaster Assessment on the impact of the Disaster, prepares the report and the Department of Human Settlements would conduct the disaster verification. Once the verification is finalized a recommendation would be made towards the construction of temporal shelters (depending on availability) or provision of permanent solution. During the financial year under review Nyandeni local municipality developed a housing identification and allocation policy, the objectives of the policy are:

- a) To promote equal access to housing for Nyandeni residents
- b) To prevent unfair discrimination
- c) To promote fair administrative justice
- d) To ensure the application of the principle of "first come first serve"

- e) To ensure proper recording of all housing applicants
- f) To ensure that people with special needs are appropriately catered for
- g) To assess whether someone who has made an application is eligible to be allocated a government subsidized housing scheme

### **Role of Town Planning in Human Settlements Development**

The Municipality plays a co-coordinating role in development of sustainable human settlements by identifying of suitable land. The Municipality also through its town planning division develops the layout plans for the area where the houses are going to be built and facilitates in the approval of township establishment application.

Further to that, the Town Planning Division is responsible for the general town planning services and land use management of the two towns, Libode and Ngqeleni. This section is responsible for advising the Municipality on all possible developments that are going to happen within the Municipality. This section also ensures that a credible Spatial Development Framework is in place and its implementation thereof in order to give effect to Section 26 (e) of the Municipal Systems Act 32 of 2000. The Town Planning Division also ensures that the implementation of the Spatial Planning and Land Use Management Act No. 16 of 2013.

### **The Main role players in human settlement development are**

#### **6.1 Provincial Department Of Human Settlements**

- a) The Provincial Department of Human Settlements grants the Local Municipality an authority to register and administer housing subsidy applications
- b) The Department approves housing subsidy applications and provides funding for all approved housing projects
- c) The Department appoints contractors for approved projects and plays a monitoring roles.

#### **6.2 National Department Of Human Settlements**

- a) The National Department of Human Settlements (NDHS) administers the Housing Subsidy System (HSS) and National Housing Demand Database; and
- b) The NDHS may appoint external auditors to investigate a particular allocation process.

#### **6.3. O.R Tambo District Municipality**

- a) District Municipality assists Homeless and Destitute through Social Relief Programme

#### **6.4. Applicants**

- a) Applicants are required to register their need for housing on the Municipality's housing database.



- b) All applicants registered must inform Nyandeni Local Municipality on any changes in personal information such as address, marital status, income, or special needs and disabilities.
- c) Applicants must at all times ensure they are contactable by updating their contact details with the Municipality and
- d) Applicants must co-operate with the Municipality when required to update their information on the housing database every two years.

#### **6.5. Local Human Settlements Standing Committee**

- The Standing Committee monitors the implementation of this policy. This starts with beneficiary selection, subsidy application process up to completion and hand over of houses
- The Council, through the Standing Committee resolve on land to be identified for housing development in urban areas. Necessary processes like subdivision and survey of such land should then be undertaken.
- The Standing Committee pays periodically visits to all implemented projects
- The Standing Committee receives progress on projects that are implemented and assist in resolving conflicts and problems encountered there from.

#### **6.6. The Office Of Ward Councillors**

- a) The office of Ward Councillor, through Ward Committee co-ordinates any developments taking place in wards, including housing developments.
- b) The office identifies beneficiaries to benefit from any housing development.
- c) The office of Ward Councillor serves as a link between the Municipality and the wards through sourcing progress reports on all housing projects taking place in wards.
- d) The office of the Ward Councillor, through Ward Councillor contributes in the meetings of the Project Steering Committee on matters affecting housing development.

#### **6.7. Traditional Councils**

- a) Traditional Leaders, through Traditional Council allocate stands in areas where qualifying beneficiaries do not have stands.
- b) Traditional Leaders identify land for rural housing development, including Greenfield development.
- c) Traditional Leaders assist in the identification of destitute and vulnerable beneficiaries within their areas of jurisdictions.

#### **6.8. Project Steering Committee**

- a) The Project Steering Committee is selected among the members of the community and is responsible for the monitoring of implementation of the housing projects.

- b) The PSC appoints among its members people to serve in its governing structure, including Chairperson.
- c) The Steering Committee assists in the identification people to be employed in housing projects.
- d) Traditional leaders enjoy ex-officio status in the meetings of the Project Steering Committee.
- e) Projects Steering Committee also assists the office of Ward Councillor in resolving disputes emanating from housing developments.

**b. Level and standards in Housing and town planning services**

The Department of Human Settlements provide for the provision of the following standards when constructing houses:-

- A 40 square meter house with roof tiles, 2 bedroom, a kitchen and lounge which would also cater for people with physical disabilities
- A water tank
- A VIP toilet
- Bulk internal water reticulation services
- For special cases like disabled person – a provision of 45 m2 house with specific doors and window levels.

The Municipality, when planning housing development takes into account houses for the low income This helps the Municipality to set up its yearly targets for delivery of houses according to these categories of levels. The Municipality first starts with housing needs assessment to determine the number of beneficiaries who qualify for low cost housing thereafter conduct the necessary geo-tech and environmental Impact assessment.

All housing/ human settlement developments for all income brackets require Town Planning expertise to prepare the town planning layout, facilitate public participation as well as administer the approval of the Townships with the department of Cooperative Governance and Traditional Affairs. The advent SPLUMA (Spatial Planning and Land Use Management Act no. 16 of 2013) has necessitated the establishment of Municipal Planning Tribunal which should administer the approval of Township establishment applications and other related Land development Applications.

With regards to the quality of houses the National Department of Human Settlements prescribes the norms and standards for the level of houses to be delivered by the Municipalities. Each Municipality is expected to deliver houses according the prescribed norms and standards. Nyandeni Local Municipality is implementing 40 square meters in all of its low cost houses.

**Informal settlements**

Both urban areas of Libode and Ngqeleni have informal settlements. The program to address and to act on stopping the mushrooming of informal settlements is to provide these people with permanent shelters through informal settlements eradication program .Currently we have 165 informal settlements in the following areas

- Libode (Eziteneni) – 50
- Libode (Nomzamo) – 115

**d. Major challenges in housing development**

Some of the challenges in housing development include: -

- I) Delays within DHS in procurement processes in terms appointing and paying contractors.
- II) Poor performance by contractors resulting in completion delays
- III) Insufficient funding
- IV) Backlog in basic services (lack of bulk infrastructure)
- V) Unlawful occupation of land or land invasion.
- VI) Shortage of water during construction that delays the completion period for housing development.
- VII) High increases in material prices.
- VIII) Land claims and land invasion
- IX) Delays in the approval of town planning services and in the survey of the land for housing delivery.
- X) Difficult terrain on rural areas.
- XI) Unavailability of local suppliers within the O.R Tambo region
- XII) Alternative technology program it is not easy for all inspectors because they are not trained on those programs but on brick and mortar
- XIII) Vandalism of completed units.
- XIV) Material Theft
- XV) Lack of capacity to Emerging contractors to meet NHBRC Norms and Standards
- XVI) Poor workmanship resulting to shoddy work

### T3.5.3 HOUSING POLICY OBJECTIVES TAKEN FROM IDP

Strategic Focus Area (MM)	Outcomes Indicator (5 years)	Output Indicator(2018-2019)	Revised indicator							
				Annual Target	Revised Annual Target	Ward	Actual Performance	Achieved / Deviated	Reason for Deviation	Corrective Measure
Infrastructure Development	Habitable integrated human settlements.	Report on provision of human settlement in Nyandeni in partnership with Department of Human settlement		Co-ordinate provision of human settlement in Nyandeni in partnership with Department of Human settlement through housing sector forum quarterly	Co-ordinate provision of human settlement in Nyandeni in partnership with Department of Human settlement.	-	Co-ordinated the provision of human settlements in Nyandeni in partnership with the Department of Human Settlements and progress reports were signed by the Senior Manager	Achieved	-	-

### PROGRESS REPORT ON HUMAN SETTLEMENTS PROJECTS

CURRENT / RUNNING PROJECTS				
PROJECT	PROGRESS	CONTRACTOR	WARD & VILLAGES	COMMENTS
Nyandeni 800	Slabs :800 Walls :800 Roofs:800	Joordaan Contractor	Mthombe and Buntingville ward 13 and 05	Project is complete

	Complete:800			
Mampondomiseni Phase 2 – 150 units	Slabs : 123 Walls : 101 Roofs: 99 Complete:89	Abaphumeleli	Mampondomiseni Ward 17	Project is at procurement for a replacement contractor
Mampondomiseni phase 1-150 units	Slabs -135 Walls -132 Roofs -122 Comp -99	BNN	Mampondomiseni ward 17	Poor performance by contractor Process to unblock the project are underway
Mbhobheleni 1000	Slabs: 628 Walls : 609 Roofs: 543 Complete: 476	Mmaeshbe Genaral Trading and Jordan	Ward 04 and Ward 08	The contractor is underperforming .A cession agreement was reached for 300 units and Jordan is performing very well in Ward 08 and Ward 04
Ntsundwana 1000	Slabs: 259 Walls: 258 Roofs: 253 Complete : 253	Max-Wezie Construction and Motheo	Ward 20	Contractor is under performing (Slow pace) AND Cession agreement has been reached with Motheo Construction and Site establishment has been done and physical construction has commenced
Mqwangqweni 1000	Slabs : 516 Walls :452 Roofs:417 Complete:398	Motheo and GS United	Ward 14 and Ward 32	New contractor appointed to fastrack the project and A cession agreement has been finalized with GS United Construction for 500 units will commenced
Nyandeni 190	Slabs : 184 Walls : 184 Roofs: 184 Completions -184		Various wards	The projects is being reduced by 6 units
Nyandeni 669	Slabs -64 Walls -52 Roofs -50 Completions 46	Summerland Trading	Various wards	Contractor is on site and is expected to move to Ward 02 and Ward 27
Nyandeni 233	Planning stage Beneficiary Administration	Simply Do Construction	Various wards	Contractor is taking coordinates on approved beneficiaries

PROJECT NAME	WARD
Nyandeni 124	Various wards
Nyandeni 77	Various wards
Nyandeni 100	08, 09, 07, 29, 13 and 12
Nyandeni 44	Various wards
Nyandeni 370	Various wards

### T3.5.4 EMPLOYEES: HOUSING

Employee : HOUSING Settlements:T3.5.4					
JOB LEVEL	EMPLOYEE No YR 2017/2018	POSTS NO.	EMPLOYEE NO. 2018/2019	VACANCIES NO.	VACANCIES AS %
7	1	1	1	0	0%
8	1	1	1	0	0%
11	2	2	2	0	0%
16	1	1	1	0	0%
<b>TOTAL</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>0</b>	<b>0</b>

### T3.5.5. FINANCIAL PERFORMANCE: 2017/18: HUMAN SETTLEMENT

R'000					
Details	Year - 1	Year 0			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
<b>Total Operational Revenue</b>	0	0	0	0	#DIV/0!
Expenditure:					
Employees	0		3292	2181	100%
Repairs and Maintenance	0	0			#DIV/0!
Other	668	785	730	459	-42%
<b>Total Operational Expenditure</b>	668	785	4022	2640	236%
<b>Net Operational Expenditure</b>	668	785	4022	2640	236%
<i>Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.</i>					
T 3.5.5					

### T3.5.6 CAPITAL EXPENDITURE: HUMAN SETTLEMENT

There is no capital expenditure

### T3.5.7: Comments

The Department Of Human Settlement is both the Authority and provider of human settlement.

## **3.6 FREE BASIC SERVICES AND INDIGENT SUPPORT**

### **T3.6.1: INTRODUCTION TO FREE BASIC SERVICES AND INDIGENT SUPPORT**

The Indigent program's objective is to support indigent households with free basic services so as to meet their basic needs. It is due to high level of unemployment and poverty in the municipal area that there are households who are unable to pay for basic municipal services. Therefore the Nyandeni Local Municipality views it necessary that steps are taken in alleviating some of the difficulties associated with access to basic services.

Section 26(1)(2) of the constitution of the republic of South Africa stipulates that everyone has a right to have access to adequate housing, Health Care, Food, Water and Social security. It is therefore Subsection 2 of this section that gives the state an obligation to take reasonable legislative and other measures within its available resources to achieve the progressive realization of these rights.

Nyandeni Local Municipality has therefore approved indigent policy and indigent register to ensure that the indigent can have access to the package of services included in the FBS programme. In the year under review the municipality has supported indigent households with two burner gas stove and full size nine (9) kg gas cylinder. In areas where there is access to electricity, deserving indigent households have been provided with electricity coupons in line with council policy

#### **Functioning of indigent steering committees**

The municipality has established Ward Indigent Steering Committees in all 32 Wards. The purpose for this Indigent Steering Committees is to improve program coordination and proper implementation of the Free Basic Services at ward level.

#### **Indigent Register**

The free basic services indigent register at present contains about 36974 indigent households for the whole Nyandeni local municipality. In terms of the municipal policy the indigent register is reviewed annually. The Indigent Policy was reviewed and adopted by Council on 27 June 2019.

### T3.6.3 FREE BASIC SERVICES TO LOW INCOME HOUSEHOLDS

Free Basic Services To Low Income Households										
	Number of households									
	Total	Households earning less than R1,100 per month								
		Free Basic Water			Free Basic Sanitation		Free Basic Electricity		Free Basic Refuse	
		Total	Access	%	Access	%	Access	%	Access	%
Year -2	100 000	18 000	12 000	67%	10 000	56%	13 000	72%	7 000	39%
Year -1	103 000	18 500	13 000	70%	11 000	59%	14 500	78%	8 000	43%
Year 0	105 000	19 000	15 000	79%	12 000	63%	16 100	85%	9 000	47%
										T 3.6.3

### T.3.6.4 COST TO MUNICIPALITY OF FREE BASIC SERVICES DELIVERED

Financial Performance Year 2019: Cost to Municipality of Free Basic Services Delivered					
Services Delivered	Year -1	Year 0			
	Actual	Budget	Adjustment Budget	Actual	Variance to Budget
Property rates	-	43 958	958	-	-100%
Alternative energy	-	3 615 493	3 966 493	3 574 297	-10%
Electricity	3 504	2 290 658	116 689	111 074	-5%
Waste Management (Solid Waste)	-	50 000	-	-	0%
Total	3 504	6 000 109	4 084 140	3 685 371	-10%
					T 3.6.4





### T3.6.5 FREE BASIC SERVICES AND INDIGENT SUPPORT POLICY OBJECTIVES FROM IDP

Strategic Focus Area (MM)	Outcomes Indicator (5 years)	Output Indicator(2018-2019)	Revised indicator							
				Annual Target	Revised Annual Target	Ward	Actual Performance	Achieved / Deviated	Reason for Deviation	Corrective Measure
Free Basic Services	Poverty alleviation through subsidy with indigent subsidy	Number of indigent households supported with electricity, alternative energy and gas by 30 June 2019		Provide support to 1500 Indigent households with electricity Coupons (50kwts)	–	All wards	Provided support to 1500 Indigent households with electricity Coupons (50kwts)	Achieved	–	–
				Provide 2000 Indigent households with Alternative Energy (Size 9kg gas and 2 burner Gas stove) by 30 June 2019	Revised quarterly target to Quarter 4		Provided 2000 Indigent households with Alternative Energy (Size 9kg gas and 2 burner Gas stove)	Achieved		
Free Basic Services	Poverty reduction through indigent subsidy	Number of households subsidised	–	Refill of 3500 size 09 kg gas cylinders for the identified Indigent households by 30 June 2019	Refill of 2083 size 09 kg gas cylinders for the identified Indigent households by 30 June 2019		Refilled 2091 size 09 kg gas cylinders for the identified Indigent households	Achieved	–	–

Strategic Focus Area (MM)	Outcomes Indicator (5 years)	Output Indicator(2018-2019)	Revised indicator							
				Annual Target	Revised Annual Target	Ward	Actual Performance	Achieved / Deviated	Reason for Deviation	Corrective Measure
		Reviewed Indigent Register		Review Indigent Register by June 2019	–	32 Wards	The Indigent Register has been reviewed	Achieved	–	–

#### **T3.6.6: COMMENT ON FREE BASIC SERVICES AND INDIGENT SUPPORT**

### **COMPONENT B: ROAD TRANSPORT**

This component includes: roads; motorized and non-motorized transport; and waste water (storm water drainage).

## **3.7 ROADS**

### **T3.7.1 INTRODUCTION TO ROADS**

The municipality constructs and provides maintenance of roads to provide access to educational, economic, health centers. Roads constructed are surfaced and gravel roads in both rural and urban areas. In towns the roads constructed are surfaced roads. Construction of roads is done through contractors that are obtained the country through bidding processes. The maintenance is implemented in two methods internally and outsourced. Municipal yellow fleet is used on maintenance of existing roads and other projects are implemented by external contractors. Storm water control is considered as one of roads features and is considered when constructing the roads. EPWP programme is used as one element which drives job creation by being used when maintaining roads infrastructure. The most used method for roads construction is conventional due to the rolling

terrain which demands major earthworks. Most type of roads being constructed are gravel roads and they do not last as they tend to be overpowered by storm water with high velocity. The municipality has improved in methods of construction and ensures that storm water management is highly considered during planning.

The municipality has achieved the annual target of constructing and maintaining 257.8 km. Roads forum is used to ensure all stakeholders are aware of roads projects to be implemented by both DORT and Municipality. Roads forum assists in deciding which areas are to be prioritized by DORT during financial year. Communities are part of project from planning stages as they are part of conception during Mayoral Imbizo's and IDP road shows. The municipality plans to provide transport Hub for integrating transport in both towns and identified areas for economic growth. The municipality has plans to provide infrastructure for ranks where areas are identified for economic growth as economic nodes. National Roads are being under management by SANRAL which provides maintenance and contractor development in consultation with the municipality.

**Challenges majorly experienced in road transport are as follows:**

- I. Preferred method for construction by Provincial Government of gravel road;
- II. Inadequate allocation of funds;
- III. Lack of capacity to complete projects by some contractors;
- IV. Poor/Inadequate resource allocation by DORT;
- V. Poor infrastructure to strategic areas identified for economic growth;
- VI. Contract management and project management;
- VII. Staff shortage for accuracy during planning or feasibility studies;
- VIII. Inadequate funding for preventative maintenance

**T3.7.2 GRAVEL ROADS INFRASTRUCTURE**

Gravel Road Infrastructure Kilometres				
	Total gravel roads	New gravel roads constructed	Gravel roads upgraded to tar	Gravel roads graded/maintained
Year 2 (20/21)	195 km	105 km	15 km	120 km
Year 1 (19/20)	224 km	103 km	10 km	121 km
Year 0 (18/19)	257,8 km	115,1 km	9 km	142, 70 km

### T3.7.3 TARRED ROAD INFRASTRUCTURE

Tarred Road Infrastructure Kilometres					
	Total tarred roads	New tar roads constructed	Existing tar roads re-tarred	Existing tar roads re-sheeted	Tar roads maintained
Year 2 (20/21)	15 km	5 km	5 km	0 km	5 km
Year 1 (19/20)	7 km	5 km	0 km	0 km	2 km
Year 0 (18/19)	9 km	9 km	0 km	0 km	0 km

### T3.7.4 COST OF CONSTRUCTION MANTAINANCE

Cost of Construction/Maintenance R'000						
	Gravel			Tar		
Financial Year	New	Gravel - Tar	Maintained	New	Re-worked	Maintained
Year 2 (20/21)	R30 000	R30 000	R30 000	R20 000	R5 000	R5 000
Year 1 (19/20)	R47 100	R13 000	R25 000	R0 000	R0 000	R0 000
Year 0 (18/19)	R58 000	R37 000	R25 000	R37 000	R0 000	R2 000

### T3.7.6 ROAD POLICY SERVICE OBJECTIVES TAKEN FROM IDP

Roads Service Policy Objectives Taken From IDP									
Service Objectives/ Service Indicators	Outline Service Targets	Year -1		Year 0 (2018/19)			Year 1 (2019/20)	Year 3 (2020/21)	
		Target	Actual	Target		Actual	Target		
		Previous Year		*Previous Year	Current Year		Current Year	Current Year/Actual	Following Year
Provision of Access roads and road maintenance									
Provide integrated transport and mobility	Construction of 300km of gravel wearing course	203.3 km constructed and maintained	203.3 km constructed and maintained	203 km constructed and Maintained	300 km constructed and Maintained	257,8 km	225.5 km constructed and maintained	203.3 km constructed and maintained	200 km Constructed and maintained

### T 3.7.6 Roads Performance Summary on Table below as per SDBIP

Strategic Focus Area (MM)	Outcomes Indicator (5 years)	Output Indicator(2018-2019)	Revised indicator							
				Annual Target	Revised Annual Target	Ward	Actual Performance	Achieved / Deviated	Reason for Deviation	Corrective Measure
Infrastructure Development	300 km of Gravel Road	Number of Kilometres Constructed		1. Final Approval Certificate of 3 km with bridge in Makwalweni to Mzimvubu A/R in Ward 2	–	27	1. Issued Final Approval Certificate of 3 km with bridge in Makwalweni to Mzimvubu A/R in Ward 2	Achieved	–	–
				2. Final Approval Certificate of 12 kms at Cibeni to Ngojini and Bridge in Ward 6	–		2. Issued Final Approval Certificate of 12 kms at Cibeni to Ngojini and Bridge in Ward 6	Achieved	–	–

Strategic Focus Area (MM)	Outcomes Indicator (5 years)	Output Indicator(2018-2019)	Revised indicator							
				Annual Target	Revised Annual Target	Ward	Actual Performance	Achieved / Deviated	Reason for Deviation	Corrective Measure
				3. Final Approval Certificate of 7.5 km at Lurhasini in Ward 10	–	10	3. Issued Final Approval Certificate of 7.5 km at Lurhasini in Ward 10	Achieved	–	–
Infrastructure Development	300 km of Gravel Road	Number of Kilometres Constructed		5. Final Approval Certificate of 6.5 km at Ngqongweni -Clinic Linkage A/R in Ward 06 and 17	–	6 & 17	5. Issued Final Approval Certificate of 6.5 km at Ngqongweni -Clinic Linkage A/R in Ward 06 and 17	Achieved	–	–
				5. Final Approval Certificate of 11 km at Lusizini A/R in Ward 19	–	19	5. Issued Final Approval Certificate of 11 km at Lusizini A/R in Ward 19	Achieved	–	–
	New Projects for 2018/19									
Infrastructure Development	300 km of Gravel Road	Number of Kilometres Constructed		Construction of 1 km and Bridge at Didi to Ntlaza in Ward 16	Complete Construction of 1 km and Bridge at Didi to Ntlaza AR (Ward 16)	16	Completed Construction of 4 km and Bridge at Didi to Ntlaza AR (Ward 16)	Achieved	–	–
				Construction of 12 km at Mabomvini to Nkunzimbini A/R in Ward 32	–	32	Completed Construction of 12 km at Mabomvini to Nkunzimbini A/R in Ward 32	Achieved	–	–

Strategic Focus Area (MM)	Outcomes Indicator (5 years)	Output Indicator(2018-2019)	Revised indicator							
				Annual Target	Revised Annual Target	Ward	Actual Performance	Achieved / Deviated	Reason for Deviation	Corrective Measure
				Construction of 16 km at Mngazana to Maqanyeni A/R in Ward 21and 30	Complete Construction of 16 km at Mngazana to Maqanyeni AR in Ward 21and 30	21	Completed Construction of 16 km at Mngazana to Maqanyeni AR in Ward 21and 30	Achieved	–	–
				Construction of 12.6 km at Ndanya Clinic Paved A/R in Ward 30	Complete Construction of 12.6 km at Project Ndanya Clinic Paved AR in Ward 30	07 & 30	Completed Construction of 12.6 km (1 km paved and 11,6 km gravel) at Ndanya Clinic Paved A/R in Ward 30	Achieved	–	–
				Construction of 6.8 km in Somp to Ndzuluka A/R in Ward 05	–	5	Completed Construction of 7km in Somp to Ndzuluka A/R in Ward 05	Achieved	–	–
Infrastructure Development	300 km of Gravel Road	Number of Kilometres Constructed		Construction of 6.5 km at Ludaka A/R with Bridge in Ward 25	Complete Construction of 6.5 km at Project Ludaka AR in Ward 25	25	Practical Completion of 6.5 km at Ludaka AR in Ward 25	Achieved	–	–
			Detailed design report	Construction of 10 km in Ngxokweni to Mtyu A/R with Bridge in Ward 15	Design of 10 km in Ngxokweni to Mtyu A/R with Bridge in Ward 15	15	Completed Designs and received EIA record of Decision for Ngxokweni to Mtyu	Deviated	Revision of Cost Estimates to suit final designs are not yet approved by COGTA	Implement the Project in Phases with first approval for phase 1
			Detailed design report	Construction of 5.5 km in Tholeni A/R in Ward 26	Design of 5.5 km in Tholeni A/R in Ward 26	26	Completed Designs and received EIA record of Decision for Tholeni AR	Deviated	Revision of Cost Estimates to suit final designs are not yet	Implement the Project in Phases with first approval for phase 2



Strategic Focus Area (MM)	Outcomes Indicator (5 years)	Output Indicator(2018-2019)	Revised indicator							
				Annual Target	Revised Annual Target	Ward	Actual Performance	Achieved / Deviated	Reason for Deviation	Corrective Measure
									approved by COGTA	
Infrastructure Development	300 km of Gravel Road	Number of Kilometres Constructed	–	Construction of 10.5 km in Chizela to Moyeni A/R in Ward 08	–	8	Construction of 11 km in Chizela to Moyeni A/R at 57% in Ward 08 Site Establishment 95% Site Clearance 100% Roadbed Preparation 100% Storm Water 30% Tipping Subbase 80% Processing Subbase 50% Ditch Drains 0% Road Signs 0%	Deviated	Community Unrests due to land claims	Contractor operating on the revised plan
			Detailed Design Report	Construction of 6 km at Dontsa to Mangwaneni A/R in Ward 14	Finalise Detailed Design Report	14	Finalised Detailed Design Report	Achieved	–	–
			Detailed Design Report	Design of 10 km in Nxukwebe to Mtombetsitsa with Bridge in A/R in Ward 05	–	5	Designed 10 km in Nxukwebe to Mtombetsitsa with Bridge in A/R in Ward 05	Achieved	–	–

Strategic Focus Area (MM)	Outcomes Indicator (5 years)	Output Indicator(2018-2019)	Revised indicator							
				Annual Target	Revised Annual Target	Ward	Actual Performance	Achieved / Deviated	Reason for Deviation	Corrective Measure
			Detailed Design Report	Design of 13kms of Mqwangqweni No.1 (with 4 Bridge) Magwaziphalitshi and Lujizweni in Ward 32	–	32	Designed 13kms of Mqwangqweni No.1 (with 4 Bridge) Magwaziphalitshi and Lujizweni in Ward 32	Achieved	–	–
			Detailed Design Report	Design of Langakazi low volume road in Ward 27	–	27	Designed Langakazi low volume road in Ward 27	Achieved	–	–
Infrastructure Development	300 km of Gravel Road		Detailed Design Report	Design of Ntshazini Bridge to Canzibe low volume road in Ward ,23 and 28	–	28_	Designed Ntshazini Bridge to Canzibe low volume road in Ward ,23 and 28	Achieved	–	–
		Detailed Design Report	Detailed Progress Report	Design of 10 km at Bantini to KuBhodi A/R in Ward 21	Project 70% Complete Site Establishment 100% Layer works 80% Drainage and Culverts 30%	21	Project 93% Completed at Bantini to KuBhodi Site Establishment 100% Layer works 80% Drainage and Culverts 100%	Achieved	–	–
			Detailed Progress Report		Construction of 11 km Ngidini to Khangisa Access Road in Ward 18 Project 70% Complete Site Establishment 100% Layer works 80% Drainage and Pipe Culverts 30%	18	Project 83% (Average) Complete Site Establishment 100% Site Clearance 100% Roadbed Preparation 100% Storm Water Drainage 100% Tipping of Subbase 100% Processing 85%	Achieved	–	–

Strategic Focus Area (MM)	Outcomes Indicator (5 years)	Output Indicator(2018-2019)	Revised indicator							
				Annual Target	Revised Annual Target	Ward	Actual Performance	Achieved / Deviated	Reason for Deviation	Corrective Measure
							Ditch Drains 0% Road Signs 80%			
	<b>New Projects for 2018/19</b>									
Infrastructure Development	300 km of Gravel Road	–	Detailed Design Report	Design of Manqilo A/R in Ward 27		27	Designed Manqilo A/R in Ward 27	Achieved	–	–
		Progress reports	Preliminary Design Report	Construction of 12 kms of Mphangane Internal Roads in Ward 08	Develop Preliminary Design Report for Mphangane Internal Roads in Ward 08	8	Developed Preliminary Design Report for Mphangane Internal Roads in Ward 08	Achieved	–	–
			Detailed Design Report	Design of Dikela A/R in Ward 27	–	27	Designed Dikela A/R in Ward 27	Achieved	–	–
			Detailed Design Report	Design for Construction of DR 08301/T301 (Libode to Polini)	–	07 & 30	Designed for Construction of DR 08301/T301 (Libode to Polini)	Achieved	–	–
	Maintain 120km of access roads as per below projects									
Infrastructure Development	Accessible Road Network	Number of Kilometres Maintained		Chophetyeni to Luthubeni A/R	–	25	Finally Completed Construction of Chophetyeni to Luthubeni AR (4,5 km)	Achieved	–	–

Strategic Focus Area (MM)	Outcomes Indicator (5 years)	Output Indicator(2018-2019)	Revised indicator							
				Annual Target	Revised Annual Target	Ward	Actual Performance	Achieved / Deviated	Reason for Deviation	Corrective Measure
				Mthebelezi to Ntapanne	–	12	Finally Completed Construction of Mthebelezi to Ntapanne AR (8 km)	Achieved	–	–
				Goli AR	–	20	Finally Completed Construction of Goli AR (7 km)	Achieved	–	–
				Lwandile AR	–	25	Finally Completed Construction of Lwandile AR (7 km)	Achieved	–	–
				Dungu to Bungu AR)	–	27	Finally Completed Construction of Dungu to Bungu AR (7 km)	Achieved	–	–
	Rehabilitation 2018/19									
Infrastructure Development	Accessible Road Network	Number of Kilometres Maintained		Rehabilitate 6.5 kms in Matolweni A/R and Bridge in Ward 01	Complete Rehabilitation 6.5 kms in Matolweni A/R and Bridge in Ward 01	1	Completed Rehabilitation of 6,5 kms at Matolweni and Bridge in Ward 01	Achieved	–	–
				Rehabilitate 7.5 kms in Mhlahlane A/R in Ward 17	Complete Rehabilitation 7.5 kms in Mhlahlane A/R in Ward 17	17	Completed Rehabilitation of 8 kms at Mhlahlane AR in Ward 17	Achieved	–	–
				Rehabilitate 5.5 kms Bomvini A/R in Ward 05	Complete Rehabilitation 5.5 kms Bomvini A/R in Ward 05	5	Completed Rehabilitation of 5,5 kms at Bomvini AR in Ward 05	Achieved	–	–

Strategic Focus Area (MM)	Outcomes Indicator (5 years)	Output Indicator(2018-2019)	Revised indicator							
				Annual Target	Revised Annual Target	Ward	Actual Performance	Achieved / Deviated	Reason for Deviation	Corrective Measure
				Rehabilitate 8 kms of Maqanyeni A/R to Noliitha Clinic via Mphathiswa in Ward 14	Complete Rehabilitation 8 kms of Maqanyeni A/R to Noliitha Clinic via Mphathiswa in Ward 14	14	Completed Rehabilitation of 8 kms at Maqanyeni to Noliitha via Mphathiswa in Ward 14	Achieved	–	–
				Rehabilitate 7kms in Mafusini(Northern) A/R in Ward 31	Complete Rehabilitation 7kms in Mafusini(Northern) A/R in Ward 31	31	Completed Rehabilitation of 7 kms in Mafusini (Northern) AR in Ward 31	Achieved	–	–
				Rehabilitate 6km Mamfengwini A/R in Ward 08	Complete Rehabilitation 6km Mamfengwini A/R in Ward 08	8	Completed Rehabilitation of 7 kms at MaMamfengwini AR in Ward 08	Achieved	–	–
Infrastructure Development	Accessible Road Network	Number of Kilometres Maintained		Maintain 30 km of Ad-hoc maintenance (Wet and Dry Blading)	–	All	Maintained 34,2 km of ad-hoc maintenance for Wet and Dry Blading	Achieved	–	–
				Maintain 30 km of periodic maintenance of access roads (Patch Gravelling, Rip and Recompact, Storm water Management)	–	–	Maintained 33 km for periodic maintenance Patch Gravelling, Rip and recompact, stor water Management	Achieved	–	–
				Maintain 35 km of preventative maintenance (Blading and Patch Gravelling)	–	–	Maintained 0 km preventative maintenance Patch Gravelling, Rip and recompact, storm water Management	Deviated	Our plant was committed in making sure that all voting district are accessible	Implement projects in the next financial year with revised program

Strategic Focus Area (MM)	Outcomes Indicator (5 years)	Output Indicator(2018-2019)	Revised indicator							
				Annual Target	Revised Annual Target	Ward	Actual Performance	Achieved / Deviated	Reason for Deviation	Corrective Measure
		Number of Machinery acquired for repairs and maintenance by 30 June 2019		Acquire a set of Maintenance Equipment (Machinery: 1x Bobcat, 2 X Dump Truck, 1 X Water Truck, Smooth Roller)	Acquire a set of Maintenance Equipment (Machinery: 1x Bobcat, 2 X Tipper Trucks)	–	Acquired a set of Maintenance Equipment (Machinery: 2 X Tipper Trucks, 1 X mini-excavator (no report)	Achieved	–	–
			Detailed Progress Report		Construction of Libode Transport Hub in Ward 07	7	Project 97% Complete Site Establishment 100% Taxi Shelters and Hawkers 100% Bus Shelters 98% Hawkers Stalls and Offices 90% Septic Tank 95%	Achieved	–	–
			Detailed Progress Report		Construction of Ngqeleni Transport Hub in Ward 21 Ngqeleni	21	Project 36% Complete Site Establishment 100% Temporary Taxi Rank 100% Main Taxi Rank 30% Building Works 20% Septic Tank 0% Water and Sewer Reticulation 0% Sewer Treatment Works 0%	Achieved	–	–
Infrastructure Development	Surfacing of 25 km's by 30 June 2022	Number of kilometres surfaced by 30 June 2019		Final Completion of 4 km of Ngqeleni Extensions Internal roads in Ward 21	–	21	Completed 3.9 km of Ngqeleni Extensions Internal roads in Ward 21	Deviated	Defects liability period not yet completed	Issue final approval certificate by March 2019

Strategic Focus Area (MM)	Outcomes Indicator (5 years)	Output Indicator(2018-2019)	Revised indicator							
				Annual Target	Revised Annual Target	Ward	Actual Performance	Achieved / Deviated	Reason for Deviation	Corrective Measure
				Final Completion of 5 km of Libode Extension Internal roads (Extension 1&2) in Ward 07	–	7	Finally Completed 5 km of Libode Extension Internal roads (Extension 1&2) in Ward 07	Achieved	–	–
			Design report	Design of Libode Internal 82 Units Roads (extension 6 and Thabo Mbeki)	–	7	Designed Libode Internal 82 Units Roads (extension 6 and Thabo Mbeki)	Achieved	–	–
	25 km's Pedestrian Side Walks	Number of Kilometres Constructed		Paving of 5 kilometres of pedestrian sidewalks ( Libode and Ngqeleni)	–	07 & 21	Paved 8,61 kilometres of pedestrian sidewalks ( Libode and Ngqeleni) Libode Sidewalks 2,6 km Ngqeleni Side walks 1,51 km Libode Internal Roas sidewalks 4,5 km	Achieved	–	–
	Developed IIP	Usable IIP		Develop of Infrastructure Investment Plan (IIP)	–	All	Developed and collected data for Infrastructure Investment Plan (IIP)	Deviated	collection of data delayed from all sources	Programme to be completed by June 2019







		Rehabilitate 6.5 kms in Matolweni A/R and Bridge in Ward 01	Complete Rehabilitation 6.5 kms in Matolweni A/R and Bridge in Ward 01	1	Completed Rehabilitation of 6,5 kms at Matolweni and Bridge in Ward 01	Achieved	–	–
		Rehabilitate 7.5 kms in Mhlahlane A/R in Ward 17	Complete Rehabilitation 7.5 kms in Mhlahlane A/R in Ward 17	17	Completed Rehabilitation of 8 kms at Mhlahlane AR in Ward 17	Achieved	–	–
		Rehabilitate 5.5 kms Bomvini A/R in Ward 05	Complete Rehabilitation 5.5 kms Bomvini A/R in Ward 05	5	Completed Rehabilitation of 5,5 kms at Bomvini AR in Ward 05	Achieved	–	–
		Rehabilitate 8 kms of Maqanyeni A/R to Nolitha Clinic via Mphathiswa in Ward 14	Complete Rehabilitation 8 kms of Maqanyeni A/R to Nolitha Clinic via Mphathiswa in Ward 14	14	Completed Rehabilitation of 8 kms at Maqanyeni to Nolitha via Mphathiswa in Ward 14	Achieved	–	–
		Rehabilitate 7kms in Mafusini(Northern) A/R in Ward 31	Complete Rehabilitation 7kms in Mafusini(Northern) A/R in Ward 31	31	Completed Rehabilitation of 7 kms in Mafusini (Northern) AR in Ward 31	Achieved	–	–

		Rehabilitate 6km Mamfengwini A/R in Ward 08	Complete Rehabilitation 6km Mamfengwini A/R in Ward 08	8	Completed Rehabilitation of 7 kms at MaMamfengwini AR in Ward 08	Achieved	–	–
		Maintain 30 km of Ad-hoc maintenance (Wet and Dry Blading)	–	All	Maintained 35.3 km of ad-hoc maintenance for Wet and Dry Blading	Achieved	–	–
		Maintain 30 km of periodic maintenance of access roads (Patch Gravelling, Rip and Recompact, Storm water Management)	–	–	Maintained 33 km for periodic maintenance Patch Gravelling, Rip and recompact, stor water Management	Achieved	–	–
		Maintain 35 km of preventative maintenance (Blading and Patch Gravelling)	–	–	Maintained 0 km preventative maintenance Patch Gravelling, Rip and recompact, storm water Management	Deviated	Our plant was committed in making sure that all voting district are accessible	Implement projects in the next financial year with revised program
		Acquire a set of Maintenance Equipment (Machinery: 1x Bobcat, 2 X Dump Truck, 1 X Water Truck, Smooth Roller)	Acquire a set of Maintenance Equipment (Machinery: 1x Bobcat, 2 X Tipper Trucks)	–	Acquired a set of Maintenance Equipment (Machinery: 2 X Tipper Trucks, 1 X mini-excavator (no report)	Achieved	–	–

			Construction of Libode Transport Hub in Ward 07	7	Project 97% Complete <b>Site Establishment 100%</b> <b>Taxi Shelters and Hawkers 100%</b> <b>Bus Shelters 98%</b> <b>Hawkers Stalls and Offices 90%</b> <b>Septic Tank 95%</b>	Achieved	—	—
			Construction of Libode Transport Hub in Ward 21 Ngqeleni	21	Project 36% Complete Site Establishment 100% Temporary Taxi Rank 100% Main Taxi Rank 30% Building Works 20% Septic Tank 0% Water and Sewer Reticulation 0% Sewer Treatment Works 0%	Achieved	—	—

ADHOC MAINTENANCE										
PROJECT DESCRIPTION	WARD NO.	BUDGET ESTIMATE	EXPENDITURE	PLANNED(Km)	ACTUAL(Km)	ACTIVITY	PROGRESS	CHALLENGES	COMMENTS	TARGET
Zandukwana Access Road	1	Equitable share	None	1.4	1.4	Wet and Dry Blading	Still to be assessed	None	None	
Dalaguba Access Road(Funeral)	16	Equitable share	None	0.8	0.8	Dry Blading	Done	None	None	
Gxulu Access Road	9	Equitable share	None	1.1	1.1	Dry Blading	Done	None	None	
Gxulu to Misty Mount Access Road	9	Equitable share	None	4.0	4	Blading and Patch gravelling	Assessed	None	None	
Gunyeni Access Road	31	Equitable share	None	1.7	1.7	Dry Blading	Done	None	None	
Misty Mount Access Road	9	Equitable share	None	5.0	5	Dry Blading	This project is complete	None	None	
Zanokhanyo S.S.S. Access Road - (Dikela Springs)	30	Equitable share	None	2.5	2.5	Dry Blading	This project is complete	None	None	
Kolweni Funeral(Makhotyana	4	Equitable share	None	0.9	0.9	Dry Blading	This project is complete	None	None	
Total					17.4					
			PERIODIC MAINTENANCE							
			( Patch gravel,Rip and Compact and Drainage)							
PROJECT DESCRIPTION	WARD NO.	BUDGET ESTIMATE	EXPENDITURE	PLANNED(Km)	ACTUAL(Km)	ACTIVITY	PROGRESS	CHALLENGES	COMMENTS	TARGET
Ziphunzana Access Road	11	Equitable share		6.0	6.0	Patch gravel,Rip and Compact and Drainage	This project is 100% complete	Additional scope to has been assesed and its till to be done	None	30 Km

Mdeni to Ngobozi Access Road	12	Equitable share		6.0	6.0	Patch gravel,Rip and Compact and Drainage	<b>Site Clearance:</b> 30 % Complete <b>Rip &amp; Compact:</b> 0 % Complete <b>Construction GWC:</b> 0 % Complete <b>Construction Ditch drains:</b> 0% Complete	Shortage of resources	None	
Jojozi to Zele Access Road	2	Equitable share	None	8	7.3	Blading and Patch gravelling	<b>This project is 100% complete</b>	Shortage of resources	None	
Ntlaza to Mkhankatho Access Road	18	R496 800.00	R0.00	4.5	5.2	Patch gravelling and blading	This project is complete	None	None	
Buntingville Access Road	13	R270 720.00	R0.00	4.5	4.5	Regravelling and processing	This project is complete	None	None	
Jange Access Road	20	Equitable share	None	4.0	4.0	Patch gravel,Rip and Compact and Drainage	Blading	Shortage of resources	None	
<b>Total</b>				<b>70.9</b>	<b>35.0</b>					
<b>PREVENTATIVE MAINTENANCE</b>										
<b>(Blading and Patch Gravelling</b>										
<b>PROJECT DESCRIPTION</b>	<b>WARD NO.</b>	<b>BUDGET ESTIMATE</b>	<b>EXPENDITURE</b>	<b>PLANNED(Km)</b>	<b>ACTUAL(Km)</b>	<b>ACTIVITY</b>	<b>PROGRESS</b>	<b>CHALLENGES</b>	<b>COMMENTS</b>	<b>TARGET</b>
Thembeni Access Road	1	Equitable share	None	13	0	Blading and Patch gravelling	It is still to be assessed	Shortage of resources	None	<b>35 Km</b>
Canzibe Internal Road	22	Equitable share	None	10	0	Blading and Patch gravelling	It is still to be assessed	Shortage of resources	None	
Mzonyane Access road	28	Equitable share	None	6.5	0	Blading and Patch gravelling	It is still to be assessed	Shortage of resources	None	

Ndayini Access Road	5	Equitable share	None	6.8	0	Blading and Patch gravelling	It is still to be assessed	Shortage of resources	None	
Magozeni Access Road	15	Equitable share	None	9.6	0	Blading and Patch gravelling	It is still to be assessed	Shortage of resources	None	
Bomvana Access Road	22	Equitable share	None	7	0	Blading and Patch gravelling	It is still to be assessed	Shortage of resources	None	
Mvilo to Nothintsila Access Road	20	Equitable share	None	17.2	0	Blading and Patch gravelling	It is still to be assessed	Shortage of resources	None	
Mgonondi Bridge	22	Equitable share	None	6	0	Blading and Patch gravelling	It is still to be assessed	Shortage of resources	None	
Bukhwezeni Access Road	23	Equitable share	None	2.44	0	Blading and Patch gravelling	It is still to be assessed	Shortage of resources	None	
Msuzwaneni to Thekwini Access Road	28	Equitable share	None	11.5	0	Blading and Patch gravelling	It is still to be assessed	Shortage of resources	None	
<b>TOTAL</b>				<b>90.04</b>	<b>0</b>					
<b>STORMWATER MANAGEMENT</b>										
<b>( PERIODIC AND SANRAL PROJECTS)</b>										
<b>PROJECT DESCRIPTION</b>	<b>WAR D NO.</b>	<b>BUDGET ESTIMATE</b>	<b>EXPENDITURE</b>	<b>PLANNED(K m)</b>	<b>ACTUAL(K m)</b>	<b>ACTIVITY</b>	<b>PROGRESS</b>	<b>CHALLENGES</b>	<b>COMMENTS</b>	<b>TARGET</b>
Malungeni Storm water	24	R 400 673.66	None			Stormwater control	Advertised on RFQ	None	None	0.0 Km
Nothintsila Mvilo Storm water	20					Stormwater control	Advertised on RFQ	None	None	
Mdzwina slab	20	R 880 611.58				Stormwater control	Advertised on RFQ	None	None	
Dikela Springs	30					Stormwater control	Advertised on RFQ	None	None	0.0 Km
Zikhoveni stormwater	10					Stormwater control	Advertised on RFQ	None	None	
Dungu Access Road storm water	4					Stormwater control	Advertised on RFQ	None	None	
Mahahane storm water	2					Stomwater control	Advertised on RFQ	None	None	

[illegible]



Dininkosi Access Road	9	R248 400.00	R0.00	1	1	Patch gravelling and blading	This project is complete	None	None	6.0 m
Mzimkhulu Access Road	9	R372 600.00	R0.00	1.5	1	Patch gravelling and blading	This project is complete	None	None	
Nkawukazi Access Road	29	R295 123.42	R0.00	1	1	Patch gravelling and blading	This project is complete	None	None	
Mpendle Access Road	29	R590 246.84	R0.00	2	2.3	Patch gravelling and blading	This project is complete	None	None	
Gunjeni Access Road	31	R621 000.00	R0.00	2.5	2.5	Patch gravelling and blading	This project is complete	None	None	
Zanokhanyo Access Road	30	R621 000.00	R0.00	2.5	0	Patch gravelling and blading	RFP(Reque st for quotation's)	None	None	
Poni Access Road	14	R372 600.00	R0.00	1.5	1.5	Patch gravelling and blading	This project is complete	None	None	
Noxova Access Road	17	R248 400.00	R0.00	1	1	Patch gravelling and blading	This project is complete	None	None	
Nxukhwebe Access Road	5	R248 400.00	R0.00	1	1	Patch gravelling and blading	This project is complete	None	None	
Mthombe Tsitsa	5	R279 548.95	R0.00	1	1	Patch gravelling and blading	This project is complete	None	None	
Mphimbo Access Road	25	R248 400.00	R0.00	1	1	Patch gravelling and blading	This project is complete	None	None	
Godini Access Road	24	R169 200.00	R0.00	1	0	Patch gravelling and blading	RFP(Reque st for quotation's)	None	None	
Guqa Access Road	24	R169 200.00	R0.00	1	0	Patch gravelling and blading	RFP(Reque st for quotation's)	None	None	
Nkalweni	24	R214 800.00	R0.00	1	0	Patch gravelling and blading	RFP(Reque st for quotation's)	None	None	
Mbhobheleni	4	R248 400.00	R0.00	1	1	Patch gravelling and blading	This project is complete	None	None	
Vinish Access Road	20	R203 040.00	R0.00	2.1	1	Regravelling and processing	This project is complete	None	None	
Gqweza Access Road	2	R88 320.00	R0.00	1	1.5	Patch gravelling and blading	This project is complete	None	None	

		<b>R5 238 679.20</b>		<b>23.1</b>	<b>16.8</b>					
					<b>34.2</b>					

### T3.7.7 EMPLOYEES ROADS SERVICES

<b>EMPLOYEES: ROADS SERVICES :T3.7.7</b>					
<b>TASK GRADE</b>	<b>EMPLOYEE No FY 17/18</b>	<b>POSTS NO.</b>	<b>EMPLOYEE NO. 18/19</b>	<b>VACANCIES NO.</b>	<b>VACANCIES AS %</b>
3	1	2	2	0	0
7	8	11	8	3	0,33%
8	7	9	9	0	0%
10	2	2	2	0	0
11	9	9	9	0	0
16	2	2	2	0	0%
20	1	1	1	0	0
<b>TOTAL</b>	<b>30</b>	<b>36</b>	<b>33</b>	<b>3</b>	<b>1,08%</b>

### T3.7.8 FINANCIAL PERFORMANCE: YEAR 2019: ROADS SERVICES

<b>Financial Performance Year 2019: Road Services</b>					
					<b>R'000</b>
<b>Details</b>	<b>2018</b>	<b>2019</b>			
	<b>Actual</b>	<b>Original Budget</b>	<b>Adjustment Budget</b>	<b>Actual</b>	<b>Variance to Budget</b>
<b>Total Operational Revenue</b>	3291	9413	9399	6233	-34%
Expenditure:					
Employees	29757	23518	29280	31826	9%
Repairs and Maintenance	1058	9250	8121	5077	-37%

Other	10398	7474	8546	9619	13%
<b>Total Operational Expenditure</b>	41213	40242	45947	46522	1%
<b>Net Operational Expenditure</b>	37922	30829	36548	40289	10%
Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.					T 3.7.8

### T 3.7.9 CAPITAL EXPENDITURE 2016/17: ROADS SERVICES

Capital Expenditure Year 2018: Road Services					
R' 000					
Capital Projects	Year 0				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	91 854	109 390	48 419	-56%	
Road Construction	64 644	50 604	38 116	-25%	38 116
Street surfacing	17 153	18 150	3 078	-83%	3 078
Plant & Equipment	4 100	8 313	4 071	-51%	4 071
Transport hub	5 957	30 489	3 154	-90%	3 154
Community halls	-	1 001	-	-100%	-
Boundary walls	-	833	414	-50%	414
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.					T 3.7.9

#### **T3.7.10: COMMENT ON THE PERFORMANCE OF THE ROADS OVERALL**

Road maintenance budget is not sufficient to meet demands for maintenance and rehabilitation of roads, particularly that the weather changes have an effect.

### **T3.8. TRANSPORT (VEHICLE LICENSING AND PUBLIC BUS OPERATIONS)**

#### **T3.8.1 INTRODUCTION TO TRANSPORT (VEHICLE LICENSING AND PUBLIC BUS OPERATIONS)**

The municipality is responsible for provision of Transport Public Safety which includes vehicle licensing and motor registration services.

T3.8.2: Municipal Bus Service Data:

The municipality has does not render Municipal Bus Services.

#### **T3. 8.3 TRANSPORT POLICY OBJECTIVES TAKEN FROM THE IDP**

Strategic Focus Area (MM)	Outcomes Indicator (5 years)	Output Indicator(2018-2019)	Revised indicator							
				Annual Target	Revised Annual Target	Ward	Actual Performance	Achieved / Deviated	Reason for Deviation	Corrective Measure
Public Safety & Security /Transport	Compliance with road safety legislations and revenue generation by 30 June 2022	developed and approved road safety plan and progress report on implementation of road safety plan by 30 June 2018		Review road safety plan: by 30 June 2019	–	–	Safety plan has not developed and reviewed	Deviated	Programme responds to the nature of incidents prevailing at a particular time	To conduct assessment of safety issues as a process towards developing safety plan by February 2020
				Implement road safety plan: (6 roads safety programmes) by 30 June 2019	–	–	Report on 08 implemented road safety programs has been compiled: 1. Scholar transport: 15/08/2018 2. Joint operation at Ngqeleni : 10 October 2018 3. Joint operation Libode & ntlaza : 11 October 2018 4. Road safety workshop: 18 October 2018 5. Arrive alive : 06 December 2018	Achieved		

Strategic Focus Area (MM)	Outcomes Indicator (5 years)	Output Indicator(2018-2019)	Revised indicator							
				Annual Target	Revised Annual Target	Ward	Actual Performance	Achieved / Deviated	Reason for Deviation	Corrective Measure
							6. Joint operation at Libode : 06 March 2019 7. Joint operation at Ngqeleni 01 March 2019 8. Arrive alive : 16 April 2019			
		Number of traffic fines issued by the 30 June 2018		Issue 1500 traffic fines by June 2019	–	–	Issued 1122 traffic fines	Deviated	Shortage of Traffic Officers as some have to occasionally assist at DLTC and do VIP escorts	Review allocation of duties at DLTC
Public Safety & Security /Transport	safeguarding of municipal assets and maintenance of law and order by 30 June 2022	Report on the number of transgressions on by-laws enforced and relevant legislation by 30 June 2018		Enforce 20 By-laws & relevant legislation by 30 June 2019	–	–	Enforced 14 by laws : 1. Street trading bylaw 2. Liquor trading bylaw 3. Funeral undertaker bylaw 4. Public meeting and gathering bylaw 5. Public health bylaw	Deviated	Lack of capacity, Law Enforcement Officers needs some training in order for them to enforce some by laws	Law Enforcement Officers to be trained on the enforcement of other by-laws by 30 June 2020

Strategic Focus Area (MM)	Outcomes Indicator (5 years)	Output Indicator(2018-2019)	Revised indicator							
				Annual Target	Revised Annual Target	Ward	Actual Performance	Achieved / Deviated	Reason for Deviation	Corrective Measure
							6. Parking violation bylaw 7. Advertising bylaw 8. Public road and Miscellaneous bylaw 9. Bylaw relating to Nuisance 10. Land invasion bylaw 11. Waste Management bylaw 12. Pound Management bylaw 13 Cemetery bylaw 14 Entrapment of property bylaw			
		Report on access control and safeguarding of municipal assets 30 June 2018		Review Security Plan by 30 June 2019	—	—	Not done.	Deviated	Insufficient expertise from the municipality	Department to seek assistance from other government departments and finalize the plan by December 2019

Strategic Focus Area (MM)	Outcomes Indicator (5 years)	Output Indicator(2018-2019)	Revised indicator							
				Annual Target	Revised Annual Target	Ward	Actual Performance	Achieved / Deviated	Reason for Deviation	Corrective Measure
				Implementation of Security Plan :Safeguard all the ten (10) municipal assets and facilities by 30 June 2019	–	–	Annual report on the implementation of security plan (Q1-Q4 reports generated)	Achieved		

Traffic Law Enforcement Statistics July 2018- June 2019

Months	D w/o PrDP	Smooth tyres	Safety belt	No plates not affixed	Using cell phone	Over - load	Driving w/L	Barrier line	Face oncoming traffic	Defective parking brake	Unlicensed motor vehicle	Speed limit
July 2018	17	04	06	03	06	04	01	01	02	02	03	
Aug 2018	09	05	04	02	03	04	03	04	03	04	05	
Sept 2018	08	12	02	03	02	08	03	03	03	01	01	
Oct 2018	02	00	00	01	00	02	02	02	00	01	01	
Nov 2018	03	03	00	06	00	03	03	00	00	03	02	
Dec 2018	11	06	03	05	00	03	06	04	03	01	06	09
Jan 2019	02	00	01	01	00	02	05	00	04	01	04	07
Feb 2019	13	06	04	06	01	06	10	00	00	00	07	
March2019	08	02	00	02	00	07	06	03	01	00	05	
April 2019	05	04	00	00	01	00	02	05	00	00	04	00
May 2019	04	02	00	04	01	02	06	07	00	02	04	
June 2019	45	25	08	18	10	20	11	10	09	10	10	
Total	127	69	28	51	24	61	58	39	25	25	52	16

**Total number of offences = 1122**



### T3.8.4 EMPLOYEES TRANSPORT SERVICES

<b>EMPLOYEES:</b> (Examiners 6, Enatis clerk 4, Superintendent Law Enforcement Licensing ,Traffic, Assistant Superintendent, Traffic officers 5, X3Protection Commander ,Security Guards, Security Supervisor; Admin Clerk X3, Principal Clerk X3)					
<b>JOB LEVEL</b>	<b>EMPLOYEE NO</b>	<b>POSTS NO.</b>	<b>EMPLOYEE NO.</b>	<b>VACANCIES NO.</b>	<b>VACANCIES AS %</b>
5	48	48	45	3	1,44%
7	13	19	18	1	0,19%
8	11	14	13	1	0,14%
10	2	3	3	0	0%
11	2	3	3	0	0%
16	1	1	1	0	00%
<b>TOTAL</b>	<b>77</b>	<b>88</b>	<b>83</b>	<b>5</b>	<b>4,4%</b>

### T3.8.5: FINANCIAL PERFORMANCE YEAR 2018/19: TRANSPORT SERVICES

Not applicable to Nyandeni Local Municipality.

### T3.8.6 CAPITAL EXPENDITURE 2018/19: Transport Services

Not applicable to Nyandeni Local Municipality.

### T3.8.7: COMMENT ON TRANSPORT OVERALL

The Municipality operates a Driver's License Testing Centre at Libode and a Motor Vehicle Registering Authority at Ngqeleni.

### 3.9 STORMWATER DRAINAGE

#### T3.9.1 INTRODUCTION TO STORMWATER DRAINAGE

In 2011/12, a storm water master plan was developed. Projects in both towns were implemented through storm water master plan which was developed for storm water control in both towns. Projects were then extracted and implemented in phases as the costs are very high for implementing the whole proposal for master plan. Some components of storm water are catered for in the roads projects that are being implemented. Upgrading of existing storm water with stone pitching or concrete drains is done through maintenance unit and increases life span of roads infrastructure. Construction of open channels and pipes to manage storm water is implemented by the municipality.

#### T3.9.2 STORMWATER INFRASTRUCTURE

Storm water Infrastructure kilometers				
Financial Year	Total Storm water Measures	New storm water measures	Storm water measures upgraded	Storm water measures maintained
Year -2 (2016/17 FY)	Nil	3.6 km of Dia. 600mm	30 meters for pipe culverts and 2 km to stone pitching	Nil
Year -1 (2017/18 FY)	131 km	120 km channels constructed	11 km Upgraded Channel	39 km
Year -0 (2018/19 FY)	67.6 km	4 X 2,1 box culverts pipes. 9 km storm water channel and storm water pipes constructed	400 m Open Channel	67.2 km

#### T3.9.3 COST OF CONSTRUCTION/MAINTENANCE

Cost of construction / Maintenance R'000			
	Storm water Measures		
Financial Year	New	Upgraded	Maintained
Year -2 (2016/17 FY)	Nil	Nil	Nil
Year -1 (2017/18 FY)	Nil	Nil	Nil
Year -0 (2018/19 FY)	R 5 150 790.00	R 430 000.00	R 230 000.00

#### T3.9.5 STORMWATER POLICY OBJECTIVES TAKEN FROM IDP

Refer to maintenance plan and SDBIP summary above for storm water in the projects



## **COMPONENT C: PLANNING AND DEVELOPMENT**

This component includes: planning; and local economic development.

### **T3.10. INTRODUCTION TO PLANNING AND DEVELOPMENT**

During the 2018/19 financial year Nyandeni Local municipality embarked on a process of reviewing its Spatial Development Framework. This review was necessitated by the promulgation of the Spatial Planning and Land use management Act no.16 of 2013. The fourth generation SDF had to be in line with the principles of SPLUMA and the review was necessary because of the rapid land developments that are happening in Libode and Ngqeleni. In the absence of a land use management scheme the SDF would be the basis for projection of long term development and it would assist potential investors in determining the developmental projection and direction of the municipality. Nyandeni local municipality Spatial Development Framework was adopted by council on the 27 of June 2019.

The current Spatial Development Framework is a 30 year development projection plan with a shortened five year planning horizon. The Spatial Development Framework Plan, identifies rural and urban nodes with growth and economic development potential. Detailed local area plans were developed for these nodes as a recommendation of the Spatial Development Framework. The Canzibe LSDF and Mthatha mouth LSDF were just some of the local area plans that were developed and formed a basis and guide for the growth of the two urban centers.

The Spatial Development Framework categorizes the settlement areas in various different nodes ranging from primary to tertiary nodes. This categorization assists in directing municipal and government infrastructure spending. Libode and Ngqeleni are identified as a Primary urban nodes and Ntlaza, Canzibe, Kopshop, and Corana are identified as a Secondary Node with Mdumbi, Marubeni and Nyandeni identified as tertiary nodes. The OR Tambo District SDF describes these urban nodes as lower order service centres. From the local municipal perspective, they remain important as urban settlements where goods and services can be accessed. SDF makes a compelling case for the municipality to invest in the coastal areas as there is a huge potential for the tourism economy in areas such as Mthatha Mouth, Mdumbi and Presley Bay/ Lwandile.

### **OPPORTUNITIES OF PHYSICAL PLANNING**

Nyandeni Council adopted the Nyandeni Spatial Planning and Land Use Management By law and such by law was also gazetted. The municipality opted to form part of the District municipal planning tribunal together with Mhlontlo municipality and O.R Tambo district municipality. The municipality has also appointed an authorized official and an appeal authority in line with the requirements of the Spatial Planning and land use management Act.

In August 2013, the President of the Republic promulgated the Spatial Planning and Land Use Management Act. This a National Piece of legislation which intends to repeal old planning legislation such as the Townships Ordinance 33 of 1934 that is currently applicable in the Nyandeni area. The intention of this new planning legislation is to allow for the main components of a land use management system, the SDF, Town Planning Scheme and its regulations. SPLUMA came into effect on the 1st July 2015.

An active Municipal Council and the department Cooperative Governance and Traditional Affairs (COGTA) as structures that approve development applications but after the enactment of SPLUMA all land development applications should be dealt with by a Municipal Planning Tribunal. Nyandeni Local Municipality opted for a District Municipal Planning Tribunal.

## **CHALLENGES OF PHYSICAL PLANNING**

- Outdated pieces of legislation and scheme regulations that do not respond to new land use management trends such as mixed use developments etc;
- Lengthy approval time for development applications;
- Legislation that rests planning decision making at provincial level;
- Relying on external service providers for submission on behalf of the municipality of all land use development application and township establishment;
- Time taken for the requirements of Environmental Legislation prior physical development could take place;
- Land ownership and tenure system;
- Complexity of specifications of planning and survey services that slow down supply chain management processes;
- Unlawful occupation of land, land invasion poses a threat to development.
- Implementation of SPLUMA, particularly the formation of a Municipal tribunal
- Municipal and Traditional authority conflicts over land use management

## **T3.10 PLANNING**

### **T3.10.1 INTRODUCTION TO PLANNING**

The key focus areas/ categories of spatial planning are Settlement Planning, Land Use Management spatial planning and real estate management.

#### **Spatial Planning**

During the year under review the spatial planning unit made progress with measures towards the implementation of SPLUMA (Spatial Planning and Land use management Act No. 16 of 2013). The municipality opted to form part of the district municipal planning tribunal together with Mhlontlo and O.R Tambo local municipality. A joint memorandum of agreement was signed by all three parties in order to ensure that each party perform their role and responsibilities for joint collaborative working. The municipality completed its categorization of applications that must be served to the tribunal and those that can be dealt with by the authorized official. The appeals authority and the authorized official were also appointed during the year under review.

During the year under review the municipality also worked on developing and completing public participation for Two Local Spatial Development frameworks namely the Canzibe LSDF and

Mthatha Mouth LSDF. These Local Spatial Development framework give effect to the development principles, norms and standards set out in chapter 2 of the Land Use Management Act. These LSDFs include some of the requirements set out in chapter 4 Part E of the Act. Section 26 (e) of the municipal systems Act no.32 of 2000 requires that local municipalities prepare a five year spatial development framework as part of the IDP should be reviewed annually.

### **Settlement Planning**

During the 2018/19 fiscal year the municipality worked on the township establishment of proposed extension 6 Libode which will comprise of 82 properties. The said township establishment application was approved by the townships board in January 2019 and in line with the conditions of establishment two properties (open spaces) were registered before the 24 month period of the lapsing of the approval. The municipality recognizes the need for creating home ownership solutions for middle income people who do not qualify for low cost housing because of their income bracket and also can not access a bank bond as they are perceived to earn too little. In this regard the municipality decided to establish a new township which comprises of 82 total sites (74 residential, 4 commercial, 2 public open space, 1 institutional space and 1 place of worship). The municipality will dispose these site to individuals so that they can build their own homes. The municipality has also completed a township establishment application for proposed 100 middle income sites in Ngqeleni

### **Land Use Management**

The department has processed a number of land development applications in an effort to formalize informal Land-use and to manage the growth thereof. During the year under review the informal Libode transport hub was formalized through a rezoning and subdivision process from the greater Erf 90 (Libode) commonage. A rezoning, subdivision and consolidation of Libode cemetery from Erf 90 was also done in-order to allow for the expansion of the cemetery, A subdivision and rezoning of Libode KSD FET college was also done in order to formalize the college and be able to collect revenue from the college management once S.G plan has been approved. In an effort to create more residential erven to alleviate the demand for residential property, the Department completed a subdivision and rezoning application for the establishment of 26 new residential erven in Libode.

### **Real Estate Management**

One of the challenges that have been plaguing municipal property rate revenue is properties that are privately owned which are still registered under the municipal ownership. In an effort to address this quandary, the Department has initiated a process to assist property owners whose properties are still reflected under municipal ownership, the municipality will assist with the transfer of these properties to private ownership and as such various engagements have been made with these property owners and assistance availed with deed of sales and signing of deed of transfers.

## Development Planning

During the year under review the Department facilitated the planning and development of a new shopping square in Libode which has various national retail outlets such as PEP, Boxer, Rage, Ackerman's, Auto Zone, Absa and various other chain stores. The Libode Boklein shopping facility was officially opened in 2018. This shopping facility has assisted in creating employment opportunities for more than 50 people. Working in collaboration with other municipal departments, development planning and LED office also facilitated the planning and development of the Libode transport hub which is now almost at completion stages. The planning and securing of funds for various small town revitalization projects. The department also started working on completing all development planning process for development of a commercial precinct on ERF 88 Libode and Erf 914 Ngqeleni. The Department continues to work closely with the Department of Public Works in order to realize the aspiration of the development of an office park in Libode.

### T3.10.2 APPLICATIONS FOR LAND USE DEVELOPMENT

APPLICATIONS FOR LAND USE DEVELOPMENT						
DETAIL	FORMALISATION OF TOWNSHIPS		REZONING		BUILT ENVIRONMENT	
	2018/19	2018/19	2018/19	2018/19	2018/19	2018/19
Planning application received	Township Establishment of 100 units in Ngqeleni has been completed and submitted to the DMPT for approval	Application for Township Establishment for 1328 units in Libode (Nomzamo)	Rezoning and Subdivision of Erf 90 Libode ( 26 sites ) has been submitted and approved by the DMPT and is now submitted to surveyor generals office for approval	Rezoning , subdivision, consolidation and closure of public open space on Erf 833, 834,835, 835,835, 1215, 1214,1213 Libode Extension 4	Construction of libode transport Hub Construction of Ngqeleni Transport Hub Construction of Ngqeleni Library ( Linda Dweba Public Library) Construction of Libode Library ( Mphathisi Nonkobongo Public Library)	Construction of Ngqeleni Municipal offices which is expected to be completed during the 2019-2020 financial year.
Determination made in year of receipt (approval)	Council Approval of the establishment of the 100 middle income project in Ngqeleni	Council Approval COGTA Approval	DMPT Approval	DMPT Approval	None	None

Determination made in ff year (approval)	Surveyor General office	District Municipal Planning Tribunal (MPT) approval	Surveyor General office	Surveyor General office	None	None
Applications withdrawn	None	None	None	None	None	None
Applications outstanding at year end			Application for the proposed rezoning of Erf 238 Libode Rezoning and permanent departure for the	Rezoning of Erf 105 Ngqeleni	Development of shopping center on erf 88 Libode, expected to be complete in 2019/20 financial year	
			Relaxation of building line on Erf 166 Ngqeleni			





### T3.10.3 PLANNING POLICY OBJECTIVES TAKEN FROM IDP

Strategic Focus Area (MM)	Outcomes Indicator (5 years)	Output Indicator(2018-2019)	Revised indicator							
				Annual Target	Revised Annual Target	Ward	Actual Performance	Achieved / Deviated	Reason for Deviation	Corrective Measure
Spatial Planning and Land use ManagementA62:J68	Increased municipal property rates revenue	Number of registrations effected and transfers finalized		Facilitate transfer of 60 property registrations by June 2019	-	-	60 signed deed of sale certificates for ext 2 Libode	Achieved	-	-
		Report on audited properties within the municipality		Update land audit register by June 2019	-	All	Updated Land audit register has been completed	Achieved	-	-
	Formalised human settlement townships	Number of new townships established		Township registration of proposed extension 6 Ngqeleni (100 properties) and proposed extension 7 Libode (1328 units) by June 2019	-	Ward 21	Proposed extension 6 Ngqeleni township establishment has been compiled and completed but the proposed township establishment for ext 7 Libode was not completed	Deviated	Unresolved land claim disputes	To fast track mapping, survey and subdivision application for ERF 90 Libode and ERF 1 Ngeleni through surveyor general by June 2020

#### **T3.10.4 EMPLOYEES: PLANNING SERVICES**

<b>Employees Planning Services (Spatial Planning)</b>					
	<b>2017/18</b>	<b>2018/19</b>			
<b>Job level</b>	<b>Employees no.</b>	<b>Posts No</b>	<b>Employees no.</b>	<b>Vacancies</b>	<b>Vacancies (as a % of total)</b>
<b>Task Grade 16</b>	1	1	1	0	0%
<b>Task Grade 11</b>	1	2	2	0	0%
<b>TOTAL</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>0</b>	<b>0%</b>

#### **T3.10.5. FINANCIAL PERFORMANCE 2018/19: PLANNING SERVICES**

Included in Local Economic Development Budget.

#### **T3.10.6 CAPITAL EXPNDITURE 2018/19: PLANNING SERVICES**

Included in Local Economic Development Budget.

#### **T3.10.7: COMMENT ON PERFORMANCE OF PHYSICAL PLANNING OVERALL**

Development applications have been slow in processing due to appointment of the Tribunal by OR Tambo District Municipality.

### **3.11 LOCAL ECONOMIC DEVELOPMENT (INCLUDING TOURISM AND MARKET PLACES)**

#### **T3.11.1 INTRODUCTION TO LOCAL ECONOMIC DEVELOPMENT**

##### **1. Brief presentation of LED strategy**

The current Local Economic Development (LED) Strategy was developed in 2011 and has been reviewed in 2018/2019.

LED Strategy identifies four strategic focus areas within which multiple interventions are proposed. These are:

- Strategic institutional and infrastructural partnerships
- Enterprise Support,
- Agriculture and
- Tourism

##### **2. Setting up LED unit**

Local Economic Development falls within Planning and Development Department. It is a fully fledged unit. The Unit has three sub- sections, Agricultural Development, SMME Development and Tourism Development and is headed by LED Manager who reports to the Senior Manager Planning & Development. The LED Unit is made up of six posts all of which are filled up.

##### **3. The availability of LED expertise**

The recruitment strategy provides for the recruitment of personnel who have skills on LED and who have qualifications relevant in the economic development field.

#### 4. LED stakeholder forum functionality

Our Municipality has got an LED Forum which is a platform to engage stakeholders on all LED matters. The Section met the set target and successfully held 4 LED fora during the year under review. The department participates on Intergovernmental Relations and Economic and Infrastructure Clusters.

Local Economic Development Forum is made up of the following stakeholders:

- i. LED Standing Committee
- ii. Ward councilors
- iii. Community Development Workers
- iv. NAFCOC
- v. Farmers Association (Libode & Ngqeleni)
- vi. Informal Traders Association (Libode & Ngqeleni)
- vii. Nyandeni Cooperatives Association
- viii. Nyandeni Local Tourism Organization
- ix. Department of Rural Development and Agrarian Reform
- x. Department of Social Development
- xi. Department of Health
- xii. SASSA
- xiii. Department of Economic Development, Environmental Affairs and Tourism
- xiv. O. R. Tambo District Municipality Traditional Leaders (Libode & Ngqeleni) Taxi Industry (Libode, Ngqeleni & Ntlaza)
- xv. Eastern Cape Parks and Tourism Agency (ECPTA)
- xvi. Eastern Cape Development Cooperation (ECDC)
- xvii. Small Enterprise Development Agency (SEDA)
- xviii. Department of Environmental Affairs
- xix. Ntinga Development Agency
- xx. Department of Sport Recreation Arts and Culture
- xxi. Eastern Cape Development Agency (ECRDA)
- xxii. Department of Rural Development and Land Reform (DRDLR)
- xxiii. Department of Environmental Affairs

#### 5. Funding opportunities of LED activities (indicative figures on Donors/funders and types of program)

- i. Our Municipality collaborated with the Department of Rural Development and Agrarian Reform in producing maize for farmers who contributed 25% or R1800 per hectare towards crop production. During the year under review, the Municipality spent a total of R1.2 million to provide 2700 of 50kg bags of LAN in support of maize production.

- ii. A total amount R10 million has been invested on the Community Works Program by National COCGTA and is implemented in 13 wards of the Municipality over a period of three years. The CWP has been renewed for the next three (3) years starting from 2018 to 2021
- iv. Working For The Coast (WFTC) project received an amount of R12.5 million from the Department of Environmental Affairs (DEA) for coast care management to be implemented over a three year period 2018-2021.
- vi. The following was approved for Nyandeni local municipality projects by the Department of Environmental Affairs.
  - Funding for the development of Ntlangano Community Conservancy to a value of R15 million
  - Hluleka Game Reserve phase two R15 million
  - Khonjwayo Eco adventure trails R18 million
  - Mngcibe coastal facilities (hiker's huts) R10 million
- x. The O.R.Tambo funded the recruitment and placement of 20 Life guard in the six (6) beaches of Nyandeni for a period of six (6) months

## 6. Progress towards achieving the LED key objectives

### 6.1 Improve public and market confidence

For the past years the municipality has been successfully implementing internal and external funded projects and its continuous spending of budget resulted in the improvement of public perception and market confidence to the municipality. All the projects that were funded from internal funding sources were implemented without problems and the Municipality had been able to properly account for those funds. Community Consultation has been fundamental on all LED Programs and LED initiatives that the Municipality has undertaken.

The stability that the Municipality is enjoying, both politically and administratively has privileged the municipality to gain public confidence. The sitting of the LED Forums and Economic Infrastructure Clusters also play a significant role in improving public confidence.

The municipality has embarked on annual activities, which include two Flea Market exhibitions and one agricultural show to expose local producers to markets. The public plays a significant role in the identification, planning, decision-making and implementation phases of the projects. Farmers, cooperatives and SMME's are beneficiaries of the projects.

Through assistance from Ntinga O.R.Tambo Development Agency the municipality has developed a Small Towns Revitalization strategy (STRS) which seeks to attract investors. Projects to facelift both towns are being implemented through funding from the Office of the Premier as part implementing the Small Town Revitalization Strategy.

The Municipality has been piloted by SALGA EC and the Office of the Premier as a beneficiary to Small Towns Revitalization Programme. Significant progress has been acknowledged with most of infrastructure projects being implemented

### 6.2 Spatial Development Framework Plan (SDF)/ Land use management system (LUMS) and Settlement Planning;

The municipality reviewed its Spatial Development Framework in 2018/2019

Red tape reduction:

- Turn-around time for licensing and other business related application
- All Informal Traders trading in Nyandeni have identification cards. Licenses are being issued and are valid for a period of a year renewable in July.
- An application for a business/trading license after submission.
- The LED section informs the applicant on whether the application is successful or not.
-

- The license is renewed and payable for one year
  - A renewal of the hawker or business license is processed in one day
- Operations are being conducted by Public Safety, LED Department, Community Services, Environmental Health and Law Enforcement through the enforcement of by-laws.
- The exercise has resulted in the payment of business/trading licenses thus promoting a sustainable informal Trading environment. Nodal economic areas are now paying licenses.
- With the promulgation and coming in of SPLUMA land development application will no longer be considered and approved by provincial department of Local Government, but will be done locally through the municipal planning tribunal.

### **6.3 Investments and trading by-laws**

The Municipality entered into partnerships with prospective developers for the development of commercial centers at both Libode and Ngqeleni. JAYESEM 18 (PTY) LTD was appointed to develop Erf 88,

The municipality is currently implementing the following By-laws:-

- Street Trading By-law
- Public Space By-law,
- Encroachment By-law
- Underdeveloped sites by-law
- Liquor trading by-law

The municipality has reviewed its LED Funding and support Policy

A land and disposal policy has also been reviewed

### **6.4 Provision and maintenance of quality and reliable infrastructure: Roads; ITC; market places.**

Working jointly with Infrastructure Department, our Municipality is developing a Transport Hub in Libode and Ngqeleni the project has been funded through MIG and the Office of the Premier.

The municipality has identified the development of Light Industrial houses (warehouses) in Libode and Ngqeleni.

Sites for these two developments have been identified.

A feasibility report with preliminary designs for Ngqeleni Industrial house has been developed.

### **6.5 Disaster management within the context of conducive environment for economic development (policy/framework adoption and implementation);**

Disaster Management is within the competence of the O.R.Tambo District Municipality district has developed a Disaster Management Plan which serves as a guide in ensuring that the environment is conducive for economic development. Further the district Municipality has housed a disaster office within our Municipality. During the incidents of disaster this satellite office assists officials from Municipal Human Settlement to conduct assessment of affected households. There is also budget provided by the Nyandeni local Municipality for intervention during occurrence of disasters. The district has placed fire tender truck with staff within the municipality for quick response. Awareness campaigns, assessments and response material are being provided

## **7. Intensify Enterprise support and business development**

### **7.1 The type of business development services (BDS) provided to SMME;**

The Municipality supports a number of SMME's and Co-operatives. The following support is provided;--

- Implementation of the SMME and Cooperative development Strategy through
  - The municipality has provided capacity building and training to 107 SMMEs and Co-operatives through and capacity building programs, trainings were offered in partnership with SEDA, Furntech and NHBRC
  - Eight(10)SMME's have been supported by inputs under agriculture, furniture making sewing and Tourism facilities
  - A Retail Sector Strategy has been developed to enhance business development; the strategy together with the Small Towns Revitalization strategy has been used to mobilize funding for the development of the informal trade infrastructure.
  - Keep an up to date database of businesses and ensured that business licenses are renewed on an annual basis.
  - A Local Economic Development Support Policy has been reviewed to guide support towards SMME's, Cooperatives and projects
  - Flea market exhibitions and agricultural shows are conducted annually to promote access to market, information and learning.

SMME's are being assisted in writing funding applications

### **7.2 Public and private partnerships established**

The Municipality had no formal partnerships established as prescribed by the National Treasury. Nonetheless, the following partnerships exist

- Partnership with Walter Sisulu University
- Tsolo Agriculture and Rural Development Institute (TARDI)
  - Small Enterprise Development Agency
  - Furntech

The parties agree to collaborate on the following

- Capacity Building and Training of entrepreneurs (SMME's/Organized Community Initiatives/Co-operatives/NGO's/CBO's)
- Research and Learning
- Policy, Strategy and Sector Plan Formulation and Implementation within the locality
- Partnered with the Department of Co-operative Governance and Traditional Affairs (National and provincial) for the rollout of Community Work Programme for 14 wards
- Has a mutual understanding with the Department of Rural Development and Agrarian Reform on a cropping program.

### **7.3 Number of new formal SMME established within the municipality**

The Municipality has a database of 331 SMME's, Cooperatives and contractors registered on the LED database under the following sectors exist Agriculture, Tourism, Manufacturing, Transport, Cleaning Services, Catering, Construction and Housing, Social Services, Burial Service, Bee Farming, wool growers, art work, and general suppliers.

Two hundred and eleven (211) are registered on the SCM database

New Businesses and cooperatives are advised to register with SEDA for training and support database

The municipality coordinates the process of database registration

SEDA provides business and technical support to SMME's and cooperatives. Those that provide goods and services are encouraged to register on the municipal supplier database.

Platforms to create awareness on SMME and cooperatives programs and support are being created.

Trainings on tendering, contractor management business, Finance management, technical skills, NHBRC, Health and Safety were conducted for SMME's.

#### 7.4 Number of new employment opportunities through Expanded Public Works Programs and Public and Private Partnerships

The following employment opportunities were created through Local Economic Development:-

- Coast Care Project focusing on cleaning the coastal area and had employed 35 people (WFTC)
- 1445 people appointed in 14 wards under Community Work Program

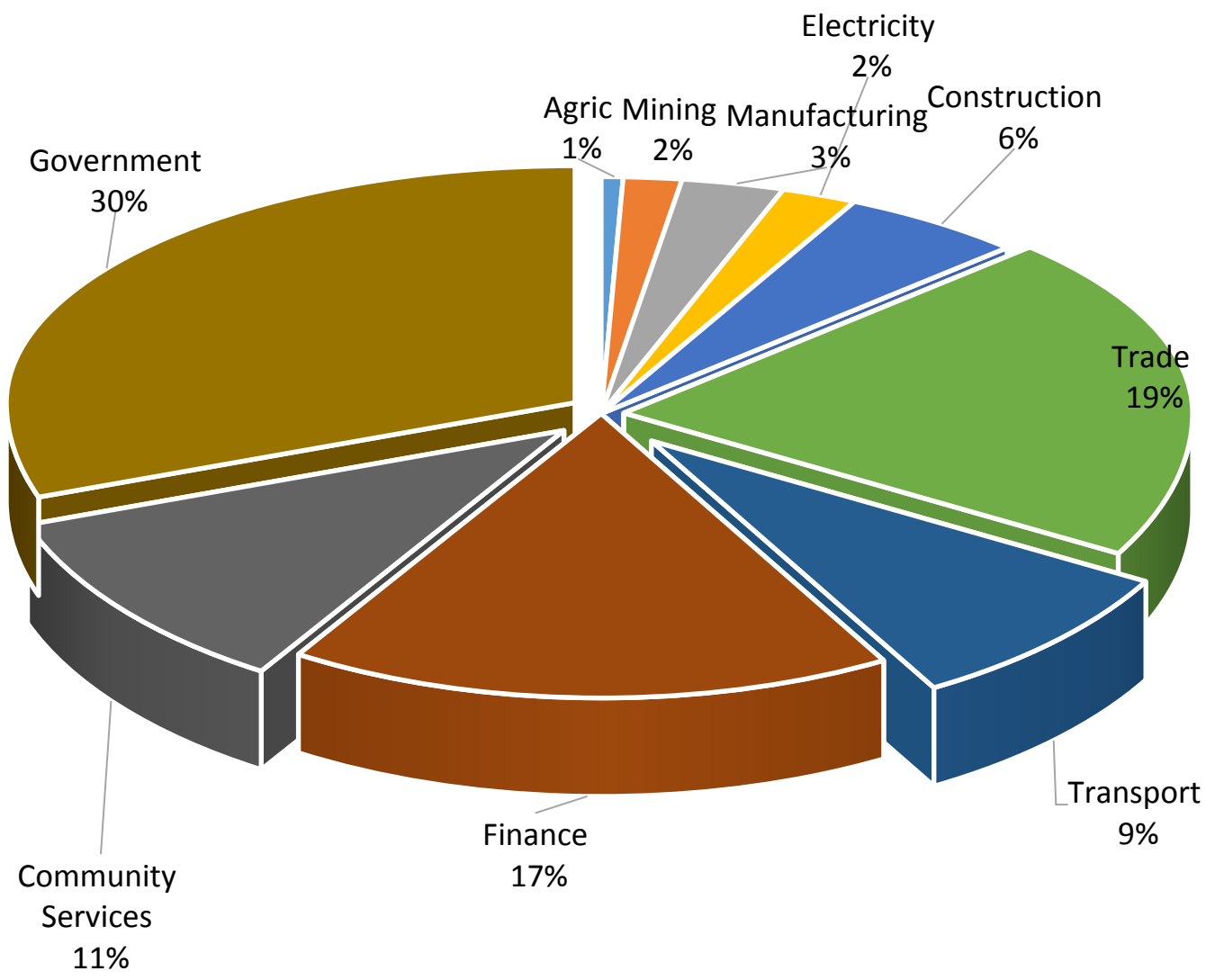
#### 8. Support Social investment program Beach Festive Programme

- Placing of lifeguards to provide safety during peak seasons (December and Easter holidays) (54)
- Working for the Coast program- removal of alien invasive plants, cleaning of beaches
- Fun run along the coast to support community development initiatives
- Tourism awareness campaigns
- Mdumbi cultural festival

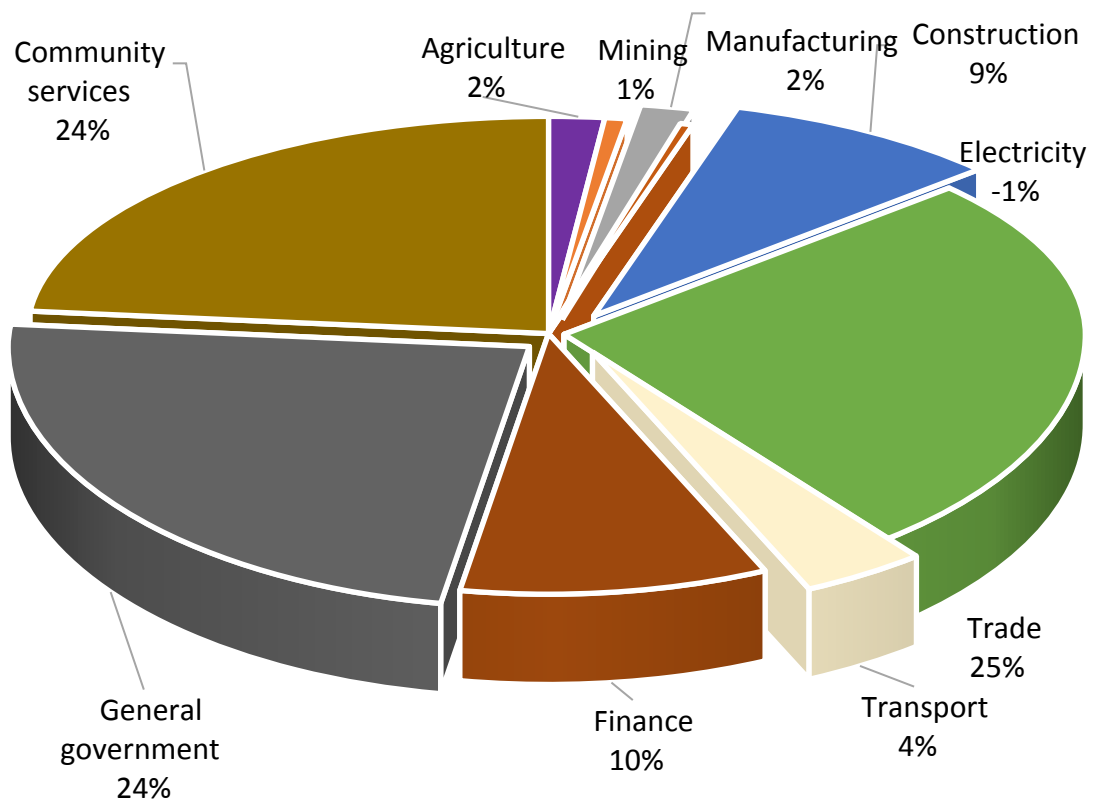
**Currently the Municipality's basis for economic activity by sector is based on census 2011 as follows:**

#### **T 3.11. 2 SECTORS CONTRIBUTION TO GVA: 2015**

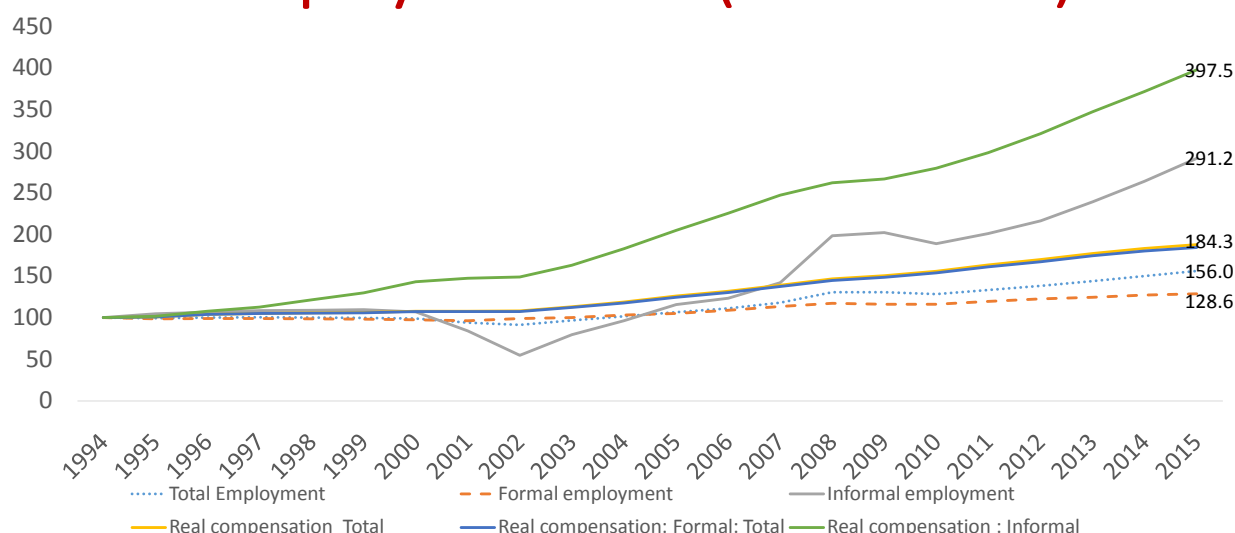




T3.11.3 SECTOR EMPLOYMENT



# Nyandeni employment and compensation of employee indices (1994 = 100)



BROADSECTORCONTRIBUTIONTOWARDSTOTALECONOMIC GROWTH-  
 NYANDENILOCALMUNICIPALITY, 2005–2011 [PERCENTAGEPOINT-  
 CONSTANT2005PRICES]

Sector	2005	2006	2007	2008	2009	2010	2011
Agriculture	-0.3%	0.4%	0.1%	0.3%	0.2%	-0.1%	0.0%
Mining	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Manufacturing	0.0%	0.1%	0.1%	0.0%	-0.1%	0.1%	0.0%
Electricity	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Construction	0.0%	0.1%	0.1%	0.1%	0.1%	0.0%	0.0%
Trade	0.5%	0.3%	0.3%	-0.1%	-0.2%	0.3%	0.0%
Transport	0.1%	0.0%	0.1%	0.0%	-0.1%	-0.1%	0.0%
Finance	0.5%	0.5%	0.5%	0.5%	0.0%	-0.1%	0.0%
Communityservices	1.1%	1.9%	1.0%	1.1%	0.8%	2.5%	1.1%
<b>TotalIndustries</b>	<b>1.9%</b>	<b>3.3%</b>	<b>2.1%</b>	<b>1.8%</b>	<b>0.7%</b>	<b>2.6%</b>	<b>1.1%</b>
<b>TaxeslessSubsidiesonproducts</b>	<b>0.1%</b>	<b>0.3%</b>	<b>0.2%</b>	<b>0.4%</b>	<b>0.1%</b>	<b>0.7%</b>	<b>0.3%</b>
<b>Total(GrossDomesticProduct-GDP)</b>	<b>1.9%</b>	<b>3.6%</b>	<b>2.3%</b>	<b>2.2%</b>	<b>0.9%</b>	<b>3.4%</b>	<b>1.4%</b>

Source:IHSGlobalInsightRegionaleXplorerversion 648

The growth in Community Services sector was also the only sector that delivered significant positive and consistent growth within Nyandeni Local Municipality over the period under review.

\*CurrentlytheMunicipality'sbasisforeconomicemploymentbysectorisbasedon census2011asfollows:

T3.11.4 TOTAL EMPLOYMENT PER BROAD ECONOMIC SECTOR, -  
 NYANDENILOCALMUNICIPALITY, 2005-2011[NUMBERS]

Sector	2005	2006	2007	2008	2009	2010	2011	AAGR2005-2011
Agriculture	376	391	440	440	395	362	341	-1.6%
Mining	0	0	0	0	0	0	0	-0.4%
Manufacturing	276	285	291	293	265	265	275	-0.1%
Electricity	40	43	47	45	43	41	40	0.0%
Construction	509	475	473	480	421	439	452	-2.0%
Trade	991	1008	958	1031	954	952	948	-0.7%
Transport	344	351	350	481	468	474	467	5.2%
Finance	191	196	206	225	241	241	245	4.3%
Community services	3697	3875	4207	4550	4614	4590	4755	4.3%
Households	1284	1363	1562	1715	1668	1580	1547	3.1%
Total	7707	7988	8535	9261	9068	8944	9069	2.7%

Source:IHSGlobalInsightRegionaleXplorerversion648

The economic sectors that recorded the largest declines in employment numbers between 2010 and 2011 were (1) households (or domestic workers) down by almost 33 job sand (2) agriculture down

By 21 jobs. For the rest of the sectors it stayed relatively unchanged only for the Community services sector where an increase of 165 jobs is recorded from 2010 to 2011.

The tertiary sector showed the highest average annual growth rate for the period between 2005 and 2011.

### T3.11.5 JOBS CREATED IN 2018/19 BY LED INITIATIVES

JobsCreatedduringYear2018/19 by LED Initiatives(Excluding EPWP Projects)				
Total jobs created/ Top3Initiatives	Jobs Created No	Jobs lost/displaced by other initiatives No	Net total jobs Created in year No	Method of validating Jobs created/lost
Total(all initiatives)				
2018/19	Coast Care:35	0	35	Report from implementer
2018/19	Lifeguard Service: 54 (34 Nyandeni; 20 by OR Tambo DM)	0	54	Appointment contracts and attendance
2018/2019	CWP 14 wards:1150	0	1150	Reports from implementer
2017/18	Essential Oils trial and claygeo-tech:12	0	06	Report from implementer
2018/2019	CWP Small Towns Revitalization	0	200	Reports from implementer
Year0:2017/18	Total	0	1445	

### T3.11.6 JOBS CREATION THROUGH EPWP PROJECTS

Jobs Creation through EPWP Projects		
Details	EPWP Projects No	Jobs created through EPWP Projects (Community Works Programme No
2015/16	5	1293
2016/17	5	1448
2017/18	5	1314
2018/2019	5	1445

### T3.11.7 LED POLICY OBJECTIVES TAKEN FROM THE IDP

Strategic Focus Area	Outcomes Indicator (5 years)	KPA : LOCAL ECONOMY AND DEVELOPMENT						
		Annual Targets	Revised Annual Target	Ward	Actual Performance	Achieved/ Deviated	Reason for Deviation	Corrective Measure
Socio - Economic development	Well capacitated and empowered SMMEs through trainings conducted by 30 June 2022	Empower and capacitate 60 SMME and Cooperatives through training and other developmental programs by 30 June 2019	Empower and capacitate 60 SMME's and Cooperatives members through training and other skills programmes by 30 June 2019	All wards	Empowered and capacitated 107 SMME's and Cooperatives and members on the following programmes:- 1. 15 SMME's and Cooperatives were trained on Sewing from the 14th/08 until the 24/08/2018. 2. 17 SMME's and cooperative members were trained on small business owner financials from 12-16 November 2018 3. 64 SMME's (Contractors) were trained on Technical skills training on the 13th to 15th March 2019 by NHBRC 4. 20 SMME's and cooperatives on local contractor technical skills training from the 10-12 June 2019. A report has been produced and signed by the senior manager.	Achieved	–	–

Strategic Focus Area	Outcomes Indicator (5 years)	KPA : LOCAL ECONOMY AND DEVELOPMENT						
		Annual Targets	Revised Annual Target	Ward	Actual Performance	Achieved/ Deviated	Reason for Deviation	Corrective Measure
		Support and incubate 1 SMME/ Cooperative by 30 June 2019	-	-	Supported and incubated Greenbelt multi-purpose cooperative through provision of training in partnership with Ferntech and SEDA, purchasing of tools and equipment as well as facilitating the process of providing construction and operating structure. A report has been produced and signed by the senior manager.	Achieved	–	–
		Participate on four (4) O.R.Tambo Cooperative Development Centre (CDC) Steering Committee Meetings by June 2019	-		Participated on five O.R.Tambo Cooperative Development Centre Steering Committees on the following dates: 1. 13/07/2018 2. 19/11/2018 3. 21/02/2019 4. 14/03/2019 5. 09/05/2019. Reports have been produced and signed by the senior manager.	Achieved	–	–
		Market local products through hosting of 2 Flea markets and 1 agricultural show by 30 June 2019	-	-	Marketed local products through hosting of 2 Flea markets and 1 agricultural show; 1. First flea market was held on the 07/12/2018 at Mthatha Mouth The second Flea Market was held on the 21/06/2019 at Nyandeni Great place The Agricultural Show was held on the 20/06/2019 at Nyandeni Great Place Reports have been produced and signed by the senior manager	Achieved	–	–

Strategic Focus Area	Outcomes Indicator (5 years)	KPA : LOCAL ECONOMY AND DEVELOPMENT						
		Annual Targets	Revised Annual Target	Ward	Actual Performance	Achieved/ Deviated	Reason for Deviation	Corrective Measure
		Develop Mining Development plan for Mpangana Clay Brick Manufacturing	Conduct a Geo - Tech Study for Mphangana Clay Brick Manufacturing Project		Geo-tech study not conducted. Developed ToR to solicit providers to conduct the study. A tender to solicit bidders was advertised in quarter 3 but the bid was not successful.	Deviated	An advert was issued and only one bidder responded, but did not meet the bid requirements resulting in disqualification. The advert was cancelled.	The tender will be re-advertised in Q1 of 2019/20 financial year and expand the scope of newspaper adverts.
	Constructed warehouses by 30 June 2022	Physical Planning and Costing of warehousing Infrastructure by 30 June 2019	-	-	Physical Planning and Costing of warehousing Infrastructure was done through conducting a feasibility study, cost estimates and draft designs for Ngqeleni warehouse. Reports have been produced and signed by the senior manager.	Achieved	–	–
	Formalised informal trading by 30 June 2022	Coordinate planning of informal trade infrastructure with DEDEAT and ECDC by 30 June 2019	-	-	Coordinated planning of informal trade infrastructure with DEDEAT and ECDC through; making follow ups on the status of funding application submitted by ECDC to Treasury. Submitted a funding application to the Department of Small Business Development. Quarterly reports have been produced and signed by senior manager.	Achieved	–	–



Strategic Focus Area	Outcomes Indicator (5 years)	KPA : LOCAL ECONOMY AND DEVELOPMENT						
		Annual Targets	Revised Annual Target	Ward	Actual Performance	Achieved/ Deviated	Reason for Deviation	Corrective Measure
	Reduction of poverty through food security projects by 30 June 2022	Provide farming Inputs to support plannting of 800 hectares for local Farmers by June 2019	Provide farming inputs ( 2700 bags of LAN) to support local farmers by June 2019	All wards	Provided farming inputs ( 2700 bags of LAN) to support local farmers. Report has been produced and signed by senior manager	Achieved	–	–
		Support 10 small scale projects with inputs by 30 June 2019	-	All wards	Supported 10 small scale projects with inputs. Report has been produced and signed by the senior manager	Achieved	–	–
		Support 320 households with farming inputs by 30 June 2019	-	all wards	Supported 320 households with farming inputs. Report has been produced and signed by senior manager	Deviated	Farming inputs were not distributed to ward 24 due to shortage of inputs from the Supplier	A delivery plan will be developed and distribution will be made inline with the plan during 2019/20 financial year. Distribution in ward 24 will be done in September 2019,
		Develop business plans and costing for coastal infrastructure by 30 June 2019	-	-	Developed business plan and costing for coastal infrastructure was done and signed by Senior Manager	Achieved	–	–

Strategic Focus Area	Outcomes Indicator (5 years)	KPA : LOCAL ECONOMY AND DEVELOPMENT						
		Annual Targets	Revised Annual Target	Ward	Actual Performance	Achieved/ Deviated	Reason for Deviation	Corrective Measure
		Monitor the growth of 80 fruit trees and provide farming inputs by 2019	Monitor the project of planted 80 fruit trees at Mhlanga, ward 4 and provide a required support	-	Monitored the project of planted 80 fruit trees at Mhlanga, ward 4 and provided 3 bails of vegetable as part of support. Reports by specialists from DRDAR and Municipality have been produced. Monitoring report has been produced and signed by the senior manager.	Deviated	In adequate care in naturing the fruit trees due to capacity constraints on fruit tree production.	Currently focusing on vegetable production while soliciting specialist expertise from DRDAR on fruit trees in 2019/ 20 Financial year
		Conduct and Asses 1 hectare trial on essential oils at Malungeni by 30 June 2019	Monitor the project of the essential oil plants at Malungeni, ward 24 and provide support	-	Monitored the project of the essential oil plants at Malungeni, ward 24. Monitoring reports have been produced and signed by the senior manager. (monitoring report with recommendations forms part of the PoE)	Achieved	–	–
	Contribution of Tourism, natural asset and heritage to the economy by 2022	Market Tourism through conducting of one local Tourism festival and exhibition the National Arts festival, by June 2019	-	-	Marketed Tourism through conducting of one local Tourism festival on the 29/06/2019 Exhibition at the National Arts festival from the from the 29 June 2018 to 08 July 2018 Reports have been produced and signed by senior manager	Achieved	–	–
		Conduct 1 Tourism awareness campaign by June 2019	-		Conducted 1 Tourism awareness campaign on the 07/12/2018 in Mthatha Mouth. Report on the awareness campaign, photos and attendance register has been	Achieved	–	–

Strategic Focus Area	Outcomes Indicator (5 years)	KPA : LOCAL ECONOMY AND DEVELOPMENT						
		Annual Targets	Revised Annual Target	Ward	Actual Performance	Achieved/ Deviated	Reason for Deviation	Corrective Measure
					produced and signed by the senior manager			
		Market local tourism through participating on Africa Trade Indaba (Tourism Indaba) by June 2019	-		Marketed local tourism through participating on the Africa Trade Indaba (Tourism Indaba) from the 02-04 May 2019. Report has been produced and signed by the senior manager.	Achieved	–	–
	Contribution of Tourism, natural asset and heritage to the economy by 2022	Host 1 tourism debate by 30 June 2019	-	All	Hosted 1 tourism debate on 07 September 2018	Achieved	-	-
		Participate in LED planning initiatives ( Wild Coast development program, Oceans economy, Ntlangano development, Mining and farmer Support production unit ) by 30 June 2019	-	-	Participated in LED planning initiatives on the following dates: 1. Ntlangano 08/08/2018 2. Ntlangano 21/08/2018 3. Ntlangano 16 August 2018 4. Oceans Economy 01/10/2018 5. Oceans Economy 29/11/2019 6. Ntlangano Conservancy 04/12/2018 7. Ntlangano conservancy 29/03/2019 8. Oceans Economy 29/05/2019 9. Marine and Coastal 13 June 2019 Quartely progress reports on participation to LED Planning initiatives have been produced and signed by senior manager	Achieved	–	–
					16			



## COOPERATIVE GOVERNANCE & TRADITIONAL AFFAIRS LED INDICATORS

	Indicator name	Target set for the year	Achievement level during the year (absolute figure)	Achievement percentage during the year
1	Existence of LED unit	N/A	N/A	The LED Department is Headed By MSA S56 Senior Manager
2	Percentage of LED Budget spent on LED related activities.	?		
3	Existence of LED strategy	<p><b>THE INFORMATION SHOULD BE REFLECTED IN A NARRATIVE FORM</b>  The municipality's LED strategy was reviewed in in 2018/<b>2019 financial year.</b>  <b>The LED Strategy seeks to achieve the following goals</b></p> <ol style="list-style-type: none"> <li>1. Remove the most pressing constraints on growth, investment and job creation, including energy generation, access to water, road infrastructure, access to transport and urban planning</li> <li>2. Increase employment in Nyandeni and increase the percentage of persons economically active</li> <li>3. Increase the extent and variety of economic activity and create a vibrant informal and SMME economy</li> <li>4. Capacitate communities to take up opportunities in forestry, tourism and agriculture. Increasing opportunities for women, youth and the disabled in the economy</li> <li>5. Promote direct investment into the LM and formal job creation</li> <li>6. Develop strong institutions to support LED</li> <li>7. Protected environmental assets</li> <li>8. A well-managed urbanisation process</li> <li>9. Increase local procurement to drive a diversified economy</li> </ol> <p><b>It prioritises the following strategic pillars</b></p> <ul style="list-style-type: none"> <li>• Strategic institutional and infrastructural partnerships</li> <li>• Enterprise Support</li> <li>• Agriculture and</li> <li>• Tourism</li> <li>• </li> </ul>		

	Indicator name	Target set for the year	Achievement level during the year (absolute figure)	Achievement percentage during the year
		<b>The strategy identifies the following anchor projects</b> <ol style="list-style-type: none"> <li>1. Develop a business support centre and programmes</li> <li>2. Develop Ntlaza Junction and Mthatha Mouth as per LSDF</li> <li>3. Spatial development of middle-income housing</li> <li>4. Support development of Wild Coast N2 Road and the development of associated services for motorists</li> <li>5. Establish formal market areas in towns and nodes</li> <li>6. Manage formal markets – bylaws, enforcement, public facilities</li> <li>7. Clay and quarry mining implementation</li> <li>8. Waste economy project identification</li> <li>9. Green economy project identification</li> <li>10. Ocean economy projects</li> </ol>		
4	Number of LED stakeholder forum meetings held	4	4	100%
5	Plans to stimulate second economy	3	3 Ntlangano Conservancy development Light industrial house development for Libode and Ngqeleni Working for the Coast program Concept document and feasibility study for coastal development Plan to establish an Animal Feed Plant	100%

	Indicator name	Target set for the year	Achievement level during the year (absolute figure)	Achievement percentage during the year
			and crop production A licence for cannabis production has been obtained	
6	Percentage of SMME that have benefited from a SMME support program	70	117 107 SMME' s provided with training 10 small scale project supported with funding	100%
7	Number of job opportunities created through EPWP	1245	1445	100%
8	Number of job opportunities created through PPP	20	20 Lifeguard services sponsored by O.R.Tambo	100%

### T3.11.8 EMPLOYEES: LOCAL ECONOMIC DEVELOPMENT

Employees: Local Economic Development Services:T3.11.8			18/19		
JOB LEVEL	EMPLOYEE No FOR 2017/18	POSTS NO.	EMPLOYEE	VACANCIES	VACANCIES AS %
7	2	2	2	0	0%
11	3	3	3	0	0%
16	1	1	1	0	0%
<b>TOTAL</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>0</b>	<b>0%</b>

### T3.11.9 FINANCIAL PERFORMANCE: 2018/19: LOCAL ECONOMIC DEVELOPMENT

R'000					
Details	2018	2019			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
<b>Total Operational Revenue</b>	107	100	100	112	12%
Expenditure:					
Employees	12 142	11 259	11 237	12 251	9%
Repairs and Maintenance	-	-	-	-	
Other	6 753	6 178	5 704	3 554	-38%
<b>Total Operational Expenditure</b>	18 895	17 437	16 941	15 805	-7%
<b>Net Operational Expenditure</b>	18 788	17 337	16 841	15 693	-7%
<i>Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.</i>					
T 3.11.9					

### T3.11.10 CAPITALEXPENDITURE: 2018/19: LOCAL ECONOMIC DEVELOPMENT

R' 000					
Capital Projects	2018				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	-	-	-		
Software	-	-	-	0%	-
Project B	-	-	-		-



Project C	-	-	-		-
Project D	-	-	-		-
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>					<i>T 3.11.10</i>

### **T3.11.11 COMMENTS ON LOCAL ECONOMIC DEVELOPMENT**

#### **Challenges regarding LED strategy implementation**

A number of challenges hampers the implementation of Local Economic Development. Some of these are:-

- LED plans that are not funded under the Municipal Infrastructure Grant (MIG)
- Uncertainty about the SPLUMA implementation
- Land Tenure System–The issue here is that the majority of the land is communal and there are very long processes that need to be followed in accessing it.
- Some pockets of land are under claim no clarity on restitution processes–communities who were compensated still claim to have authority/ownership to restored/compensated land
- Under development of some of key Economic Sector that were identified e.g. Agriculture and Tourism.
- Low pace of development and less attractiveness to investors due to lack of Bulk infrastructure e.g. roads leading to Economic potential areas.
- Degradation of land due to soil erosion. A land care program is required as a solution to this issue.
- Agriculture is mainly dominated by subsistence farming and serves as food security and there are no massive commercial farming practices.
- No effective access to funding. There are limited financial resources to pursue Local Economic opportunities.
- Arable and grazing lands not fenced
- Lack of community commitments when receiving assistance, for an example of maize planting.
- Difficulty in attracting potential investors to develop the land
- Shortage of skills in the locality to pursue economic development.

#### **Proposed solutions**

In trying to address these challenges the following are proposed solutions:-

- The process to release land for development should be sped up through an establishment of a task team to facilitate release of land in line with SPLUMA.
- Land disposal Policy has been reviewed
- Chiefs and headmen should be given enough capacity to deal with issues of land development.
- MIG funding should be used to such an extent that priority is given to roads leading to Local Economic Development projects and Tourist attraction areas and other local economic development initiatives.
- Intervention of provincial departments, Treasuries, Office of the Premier to invest on Economic Infrastructure development
- Environmental awareness programs should be conducted on a continuous basis.
- Facilitate skills development to ensure meaningful participation and involvement in the socio-economic development of the area.
- Mobilize resources for the implementation of priority projects and programmes.

## **ENVIRONMENT**

The following projects are implemented to ensure a safe and healthy environment

A waste disposal site is currently being constructed under the Small Towns revitalization program

### **Ntlangano Community Conservancy**

The project is a nature conservation initiative encompassing the steep river valleys and gorges of Tina, Tsitsa and Mzimvubu Rivers. The area has some spectacular water falls at Tsitsa and Tina Rivers. It is characterized by valley bushveld vegetation with some rare plants in the gorges identified by SANBI. Largely the area is rural in nature and major land use is currently agriculture.

The area is at the confluence of Tsitsa, Tina Rivers which are tributaries of the Mzimvubu River, to be of strategic importance as one of the development nodes for the municipality. This area is characterised by high biodiversity attributes (as it falls within the Maputoland Biodiversity Hotspot area), high levels of poverty (as indicated in the 2011 Census), and high levels of land degradation.

Biodiversity conservation is one of the themes of the development

### **Working For the Coast**

The program seeks to ensure a clean , safe and healthy environment along the coast line .

The program does cleaning, removal of alien invasives and provision of environmental and tourism infrastructure

#### **Khonjwayo eco-adventure trails**

The project seeks to plant indigenous trees, nursery, fencing of overgrazed land and installation of solar.

The project has been approved by the Department of Environmental Affairs to a value of R18 million.

#### **Ngqeleni Green Mini Park**

Development of a park with furniture, lighting and other facilities. The program has been funded by the Department of Environmental Affairs to a value of R5 million.

### **COMPONENT D: COMMUNITY AND SOCIAL SERVICES**

#### **T3.12 INTRODUCTION TO LIBRARY; ARCHIVES; MUSEUMS; GALLERIES; COMMUNITY FACILITIES**

There are two main libraries located in both towns and Libode and Ngqeleni both funded by Department of Sports, Recreation, Arts and Culture. We have four modular libraries; Ntsundwane Public Library (Ward 20), Lwandile Public Library (Ward 25), Mqwangqweni Public Library (Ward 14) and Marhubeni Public Library (Ward 04). There is School/Community Library Project piloted by DSRAC at Ruze JSS, where two (2) classroom were converted into a library (one is a computer lab and another one has books and study area). We all supported ten (10) schools with library material. We perform the function of libraries through signing MOU with DSRAC every financial year and they support us with R 650, 000. 00.

The Municipality does not have museums, archives, galleries, zoo's.

##### **T3.12.2: SERVICE STATISTICS FOR LIBRARIES**

LIBRARY NAME	BOOKS BORROWED	IN-HOUSE	WALK-INS
Mpathisi Nonkobongo	52	279	1907
Linda Dweba Library	37	3501	2276
Ntsundwana Public Library	10	1352	2190

TOTAL	159	5132	6373
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### T.3.12.3 LIBRARIES POLICY OBJECTIVES TAKEN FROM THE IDP

Strategic Focus Area (MM)	Outcomes Indicator (5 years)	Output Indicator(2018-2019)	Revised indicator							
				Annual Target	Revised Annual Target	Ward	Actual Performance	Achieved / Deviated	Reason for Deviation	Corrective Measure
Library & Information Services	Information and knowledge sharing through provision of library services	Progress reports on construction of Libode and Ngqeleni Libraries as provided by DSRAC	Progress report on the functionality of Libode and Ngqeleni libraries in partnership with DSRAC	Facilitate handover of Libode public library in partnership with DSRAC by 30 June 2019	Facilitate handover of Libode Public Library and Ngqeleni Public Libraries in partnership with DSRAC	–	Ngqeleni Library was officially opened and handed over on the 22 March 2019 but Libode library not handed over	Deviated	Delays in getting date from DSRAC	Municipality is busy with the MOU on role and responsibilities in preparation of the Handover
			Number of library sub-committees established	Coordinate the establishment of eight (8) library sub-committees by 30th June 2019.	–	All	8 Library Sub Committees established as follows: Linda Dweba PL 29 / 01/ 2019, Mphathisi Nonkobongo PL 31 / 01/ 2019, Ntsundwane PL 06 / 02/ 2019, Gqirha School / Community Library 07 / 02/ 2019, Lurhasini School / Community Library 08/02/2019, DZ Dumezweni	Achieved	–	–

Strategic Focus Area (MM)	Outcomes Indicator (5 years)	Output Indicator(2018-2019)	Revised indicator							
				Annual Target	Revised Annual Target	Ward	Actual Performance	Achieved / Deviated	Reason for Deviation	Corrective Measure
							School / Community Library 11/02/2019, Marhubeni / Victor Poto Public Library 20/02/2019, Zele School / Community Library 22/02/2019			
		number of library awareness conducted in partnership with DSRAC by 30 June 2019		Conduct four library awareness (copyright and world book day, national library week celebrations, literacy and national book week and career guidance/exhibition) by 30 June 2019	–	–	National Book Week & International Literacy Day Build Up held on the 21/08/2018 at Smuts Ndamase SSS, District event held at Qokolweni JSS, KSD LM on the 13/09/2018. National Library Week Build Up held at Moyeni JSS on the 26/02/2019 and District event held at Mhlontlo LM on the	Deviated	National book week not conducted due delays in establishment of library committees	To be done in quater 1 of 2019/2020 financial year.

Strategic Focus Area (MM)	Outcomes Indicator (5 years)	Output Indicator(2018-2019)	Revised indicator							
				Annual Target	Revised Annual Target	Ward	Actual Performance	Achieved / Deviated	Reason for Deviation	Corrective Measure
							28/02/2019. Career Exhibition held at Ntshilini SSS on the 14/05/2019			
Free Basic Services	Poverty alleviation through subsidy with indigent subsidy	Number of indigent households supported with electricity, alternative energy and gas by 30 June 2019		Provide support to 1500 Indigent households with electricity Coupons (50kwts)	–	All wards	Provided support to 1500 Indigent households with electricity Coupons (50kwts)	Achieved	–	–
				Provide 2000 Indigent households with Alternative Energy (Size 9kg gas and 2 burner Gas stove) by 30 June 2019	Revised quarterly target to Quarter 4		Provided 2000 Indigent households with Alternative Energy (Size 9kg gas and 2 burner Gas stove)	Achieved		







### T3.12.4 EMPLOYEES: LIBRARIES

Employees: Libraries:T3.12.4					
JOB LEVEL	EMPLOYEE No FY 17/18	POSTS NO.	EMPLOYEE NO. 2018/2019	VACANCIES	VACANCIES AS %
7	1	1	1	0	0
10	1	1	1	0	0
<b>TOTAL</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>0</b>	<b>0</b>

### T 3.12.5 Financial Performance Year 0: Libraries; Archives; Museums; Galleries; Community Facilities; Other

Financial Performance Year 0: Libraries; Archives; Museums; Galleries; Community Facilities; Other R'000					
Details	Year -1	Year 0			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
<b>Total Operational Revenue</b>	412	420	658	659	0%
Expenditure:					
Employees	6 948	10 419	7 056	7 807	11%
Repairs and Maintenance	681	-	-	-	
Other	1 199	2 861	2 698	2 321	-14%
<b>Total Operational Expenditure</b>	8 828	13 280	9 754	10 128	4%
<b>Net Operational Expenditure</b>	8 416	12 860	9 096	9 469	4%
<i>Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.</i>					
					T 3.12.5

### 3.13 CEMETORIES AND CREMATORIUMS

#### T3.13.1 INTRODUCTION TO CEMETORIES AND CREMATORIUMS

Nyandeni Local Municipality has reserved land parcels for burial of people that reside in its area of jurisdiction in both Towns Ngqeleni and Libode.

#### T3.13.2 SERVICE STATISTICS FOR CEMETORIES

##### Gravesite register

GRAVE SITE	GRAVE SOLD
Libode	24
Ngqeleni	6

**T3.13.3 CEMETERIES AND CREMATORIUMS POLICY OBJECTIVES**

<b>Strategic Focus Area</b>	<b>Outcomes Indicator (5 years)</b>	<b>Annual Target</b>	<b>Revised Target</b>	<b>Amended Target</b>	<b>Ward</b>	<b>Actual Performance</b>	<b>Achieved / Deviated</b>	<b>Reason for Deviation</b>	<b>Corrective Measure</b>
Environmental Management	Promotion of safe and healthy environment through pound and cemetery management services, and proper disposal of waste by 30 June 2022	Conduct planning for expansion of Ngqeleni cemetery by 30 June 2019	–	–	21	Expansion of Ngqeleni Cemetery approved by the Council on the 27 June 2019. Resolution No 2711	Achieved	-	-

#### T3.13.4 EMPLOYEES: POUND & CEMETERIES

Employees: Pound & Cemeteries:T3.13.4					
Job Level (Task		Year 0 : 2018/2019			
	Employees No. 2017/18	Posts No.	Employees No. 2018/19	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
TG 3	9	10	9	1	0%
TG 7	2	2	2	0	0%
<b>TOTAL</b>	<b>11</b>	<b>12</b>	<b>11</b>	<b>0</b>	<b>0%</b>

#### T3.13.5 FINANCIAL PERFORMANCE YEAR 2018/19: CEMETORIES

Included in the community services

#### T3.13.6 CAPITAL EXPENDITURE YEAR 2018/19: CEMETORIES

Included in the community services

#### T3.13.7 COMMENT ON THE PERFROMANCE OF CEMETORIES

The two cemeteries are functioning very well as per the payments received from Nyandeni Community

### 3.14 CHILD CARE; AGED CARE; SOCIAL PROGRAMMES

#### T3.14.1 INTRODUCTION TO CHILD CARE; AGED CARE; SOCIAL PROGRAMMES

Municipality focusses on Early Childhood development Infrastructure. Multiple spheres of social cluster Departments have different roles that they contribute towards the construction and implementation of the Early Childhood Development Centres such as Department of Social Development for example provide funding for early childhood development including nutrition and running of the early childhood development centres. The

#### T3.14.2 SERVICE STATISTICS FOR CHILD CARE

Information to be updated in the final document

**T3.14.3 EDUCATION, EARLY CHILDHOOD DEVELOPMENT AND LITERACY**

Strategic Focus Area	Outcomes Indicator (5 years)	Annual Target	Revised Target	Ward	Actual Performance	Achieved / Deviated	Reason for Deviation	Corrective Measure
Early Childhood Development Centres	Poverty alleviation through subsidy with indigent subsidy	Final Completion of Construction and Support 5 ECDC's (Wards 9,20,29,31,32) by 30 June 2019	Detailed Design Reports for 10 ECDC Centres in Wards (04, 05, 9,12, 19,20, 27,29,31,32)	Ward 04, 05, 12,19 and ward 27	Detailed Design Reports Developed for 10 ECDC Centres in Wards (04, 05, 9,12, 19,20, 27,29,31,32)	Achieved	–	–
		Construct and Support 5 ECDC's (Wards 04, 05, 12, 19, 27) by 30 June 2020						
			Final Completion of Construction and Support 4 ECDC's (Wards 01,13,24,30) by 30 June 2019		Finally Completed Construction and Supported 4 ECDC's (Wards 01,13,24,30) by 30 June 2019			

**T3.14.4 EMPLOYEES: CHILDCARE, AGED CARE, SOCIALPROGRAMME**

Employees: Childcare, Aged Care, Social Programme:T3.23.3					
JOB LEVEL	EMPLOYEE NO. 2017/18	POSTS NO.	EMPLOYEE NO. 2018/19	VACANCY NO.	Vacancies (as a % of total posts)
7	1	1	1	0	0%
11	1	1	1	0	0%
<b>TOTAL</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>0</b>	<b>0%</b>

**T3.14.5 FINANCIAL PERFROMANCE 2018/19: CHILD CARE, AGED CARE; SOCIAL PROGRAMMES****T3.14.6 CAPITAL EXPENDITURE: CHILD CARE, AGED CARE; SOCIAL PROGRAMMES****T3.14.7: COMMENTS ON THE PERFORMANCE OF CHILD CARE, AGED CARE; SOCIAL PROGRAMMES**

The Municipality contributes annually on construction of early childhood infrastructure and coordinates the activities with other key Departments such as Department of Sports Arts and Culture , NGO's and Department of Education through an Early Childhood Forum.

**C. COMPONENT E: ENVIRONMENTAL PROTECTION****T3.15. INTRODUCTION: ENVIRONMENTAL PROTECTION**

### T3.15.3 OBJECTIVES AS TAKEN FROM IDP

To be updated in the final report

### T3.15.4 EMPLOYEES: POLLUTION CONTROL

Not applicable

### T3.15.5 FINANCIAL PERFORMANCE: POLLUTION CONTROL

Not applicable

### T3.15.6 CAPITAL EXPENDITURE POLLUTION CONTROL

Not applicable

### **3.15 POLLUTION CONTROL**

This component includes: clinics; ambulance services; and health inspections. The Municipality only facilitates and/ or coordinates health matters arising through its social needs cluster. Environmental Health Services are provided by the District Municipality through Environmental Health Practitioners. The Municipality respond to issues of environmental protection e.g. sewerage spills and liaise with District and the Department of Economic Development, Environmental Affairs and Tourism (DEDEAT) for compliance. The Department of Community Services in conjunction with Municipal Law Enforcement Department conduct joint operation relating to waste management related issues.

### **3.16 BIODIVERSITY; LANDSCAPE (INC. OPEN SPACES); AND OTHER COASTAL PROTECTION**

The municipality has received a park as a donation from the Department of Environmental Affairs (DEA).

## **COMPONENT F: HEALTH**

**T3.17: INTRODUCTION TO HEALTH** The Municipality coordinates health services in partnership with Department of Health and other social partners such as NGO's particularly on communicable diseases and non-communicable diseases.

### **T 3.18: AMBULANCE SERVICES**

Not applicable

### **T 3.19 HEALTH INSPECTIONS**

The Municipality does not have powers and functions on health services and ambulance services. We only contribute to coordinate of the health services through social needs cluster. The environmental health is a competency of the District Municipality.

## **COMPONENT G: SECURITY AND SAFETY**

This component includes: enforcement; fire; disaster management, licensing and control of animals, and control of public nuisances, etc.

### **T3.20 POLICE**

The Municipality does not have Municipal Police but Traffic Officers, Examiners and Law Enforcement Officers. The personnel mentioned perform the same functions as in 3.8 Transport report above. Security services are provided internally for safeguarding of all Municipal assets. Duties of Traffic Officers is to enforce National Road Traffic Act within the Jurisdiction of Nyandeni Local Municipality and attend to incidents and accidents within Nyandeni. Law enforcement Officers Enforce Municipal By-Laws within the jurisdiction of Nyandeni L.M.

#### **Traffic Law Enforcement Statistics**

To be updated later

### **T3.21.1 INTRODUCTION TO FIRE SERVICES**

Fire service is a competency of the OR Tambo District Municipality.

## **3.22 OTHER (DISASTER MANAGEMENT, ANIMAL LICENSING AND CONTROL, CONTROL OF PUBLIC NUISANCE AND OTHER)**

### **T3.22.1 DISASTER MANAGEMENT**

Disaster management is a competency of the OR Tambo District Municipality.

#### **DISASTER MANAGEMENT**

### **3.22 INTRODUCTION**

**The Disaster Management** Act No. 57 of 2002 requires each local municipality to prepare a Disaster Management Plan for its area according to the circumstances prevailing in the area; to coordinate and align the implementation of its Plan with those of other organs of state and institutional role-players; and to regularly review and update its Plan. The legal requirements related to Disaster management are further elaborated in the O.R. Tambo District Disaster Management Plan.

Although Local Municipalities are not legislatively required to have specific Disaster Management coordinating structures, it is unlikely that a Nyandeni Municipality would be able to effectively conduct a participative Disaster Management planning process in the absence of some or other Disaster Management coordinating structure within the Nyandeni Municipality. It is recommended that Nyandeni Municipality should at least have an internal Disaster Management coordinating body such as an Inter-Departmental Disaster Management Committee. The additional establishment of an advisory forum is strongly recommended to co-ordinate Disaster Management policy within the Nyandeni Municipality and enable stakeholder involvement in Disaster Management matters.



Emergencies and disasters respect no boundaries and can destroy life and property suddenly and without warning. The South African government has recognized the need to prepare for and to reduce the risk of disasters and has made provision for such measures through the three spheres of government in partnership with the private sector and civil society.

The Nyandeni Municipality is not immune to emergencies and disasters and annually suffers the impact of various human-induced and natural

hazards that have the potential to kill, injure, destroy and disrupt.

The Nyandeni Municipality developed its Disaster Management Plan. The key intended outcomes of this plan are the integration of Disaster Risk Management into the strategic and operational planning and project implementation of all line functions and role players within the Nyandeni Municipality, the creation and maintenance of resilient communities within the Nyandeni Municipality and an integrated, fast and efficient response to emergencies and disasters by all role-players.

The overall objective of this document is to define and describe the essential elements and procedures for preventing and mitigating major incidents or disasters, but also to ensure rapid and effective response and aspect specific contingency planning in case of a major incident or disaster that will:

- Save lives;
- Reduce risk exposure;
- Reduce suffering;
- Protect property;
- Protect the environment;
- Reduce economic and social losses; and
- Provide for the safety and health of all responders.

### **T3.22.3 FIRE SERVICE/DISASTER OBJECTIVES TAKEN FROM IDP 2018/19**

There were no targets under year review

### T3. 22 ANIMAL LICENSING AND CONTROL (POUND MANAGEMENT)

Nyandeni Local Municipality has two pounds; one in each town in order to increase public safety by controlling stray animals. Currently, the Municipality has appointed a service provider to build boundary walls in both pounds to ensure security measures are intact. However, there are slight delays due to land invasion at the Libode pound.

#### T3.22.3 POUND MANAGEMENT OBJECTIVES AS TAKEN FROM IDP

Strategic Focus Area	Outcomes Indicator (5 years)	Annual Target	Revised Target	Ward	Actual Performance	Achieved / Deviated	Reason for Deviation	Corrective Measure
Environmental Management	Promotion of safe and healthy environment through pound and cemetery management services, and proper disposal of waste by 30 June 2022	Final Completion of Construction of 400m of Boundary walls fencing at Libode by 30 June 2019	Final Completion of Construction of 538m (172m X 97m) of Boundary walls fencing at Libode by 30 June 2020	7	Finally Completed Construction of 590m (165m X 130m) of Boundary walls fencing at Libode by 30 June 2020	Achieved	–	–
		Final Completion of Construction of 400m of Boundary walls fencing at Ngqeleni by 30 June 2019	Final Completion of Construction of 292m of Boundary walls fencing at Ngqeleni by 30 June 2020	21	Finally Completed Construction of 292m (93m x 53m) of Boundary walls fencing at Ngqeleni by 30 June 2020	Achieved	–	–

## COMPONENT H: SPORT AND RECREATION

### T3.23 INTRODUCTION TO SPORT AND RECREATION

This component includes: community parks; sports fields; sports halls; stadiums; swimming pools; and camp sites.

#### T3.23.2: SPORT AND RECREATION POLICY OBJECTIVES AS TAKEN FROM THE IDP

Strategic Focus Area	Outcomes Indicator (5 year)	ANNUAL PERFORMANCE REPORT GOOD GOVERNANCE					
		Annual Target	Revised Target	Actual Performance	Achieved/ Deviated	Reason for Deviation	Corrective Measure
Vulnerable groups and Sports development	mainstream special designated groups in the activities of the municipalities through planned programmes and integration by 30 June 2022	Support four (4) sporting programs (Mayors' cup, Easter marathon, Ntlaza Rugby development and horse racing) by 30 June 2019	-	1. Hosted Mayor's Cup Final Tournament on 6 October 2018 at Shushu Sport Grounds in Libode. 2. Hosted horse racing on 24 September 2018 at Langeni Horse Racing ground in ward 29. 3. Hosted Marathon on 21 March 2019 (from Lujecweni to Ngqeleni - 21km,10km & 5km). 4. Supported Ntlaza Rugby tournament which was hosted on 20-22 April 2019 at Ntlaza Rugby sport ground.	Achieved	-	-

**Community facilities**

Strategic Focus Area (MM)	Outcomes Indicator (5 years)	Output Indicator(2018-2019)	Revised indicator							
				Annual Target	Revised Annual Target	Ward	Actual Performance	Achieved / Deviated	Reason for Deviation	Corrective Measure
Infrastructure Development	access to social infrastructure		Progress Report	Construction of Ward 06 Multipurpose Centre and Sports field	-	-	Designed Ward 06 Multipurpose Centre and Sports field	Deviated	Final Cost Estimates were higher than approved funds	Implement Construction in September 2019
			Progress Report	Construction of Ward 28 Multipurpose Centre and Sports field	-	-	Designed Ward 28 Multipurpose Centre and Sports field	Deviated	Final Cost Estimates were higher than approved funds	Implement Construction in September 2019
			Progress Report on Construction of Multipurpose Centre	Construction of Ward 03 Multipurpose Centre and Sports field	-	-	Designed Ward 03 Multipurpose Centre and Sports field	Deviated	Final Cost Estimates were higher than approved funds	Implement Construction in September 2019
			Progress Report on Construction of Multipurpose Centre	-	Construction of Ward 17 Multipurpose Centre and Sports field		Designed Ward 17 Multipurpose Centre and Sports field (No report)	Deviated	Final Cost Estimates were higher than approved funds	Implement Construction in September 2019
			Detail Design Report	Designs for Ward 16 Multipurpose Centre	-	-	Developed Designs for Ward 16 Multipurpose Centre	Achieved	-	-

Strategic Focus Area (MM)	Outcomes Indicator (5 years)	Output Indicator(2018-2019)	Revised indicator							
				Annual Target	Revised Annual Target	Ward	Actual Performance	Achieved / Deviated	Reason for Deviation	Corrective Measure
Infrastructure Development	access to social infrastructure		Detail Design Report	Designs for Ward 25 Multipurpose Centre	-	-	Developed Designs for Ward 25 Multipurpose Centre	Achieved	-	-
			Detail Design Report	Design for Ward 02 Multipurpose Centre	-	-	Developed Design for Ward 02 Multipurpose Centre	Achieved	-	-
			Detail Design Report	Designs for Ward 29 Multipurpose Centre	-	-	Developed Designs for Ward 29 Multipurpose Centre	Achieved	-	-

## COMPONENT I: CORPORATE POLICY OFFICES AND OTHER SERVICES

This component includes: corporate policy offices, financial services, human resource services, ICT services, property services.

### T3.24: INTRODUCTION TO CORPORATE POLICY OFFICES

This component covers support functions in the institution in relation to service delivery and includes the following areas: Corporate Policy office, Financial Services, Human Resource Services, ICT services and property Services. The Municipality has a fully-fledged Budget and Treasury Office, Corporate Services Department. There is an ICT unit within Corporate Services.

### 3.24 EXECUTIVE AND COUNCIL

This component includes: Executive office (Mayor; Councilors; and Municipal manager).

### T3.24.1: INTRODUCTION TO EXECUTIVE AND COUNCIL

The Municipality has political stability which enables Council to oversight through its section 79 and 80 committees. The Municipality has efficient municipal planning in that the following: development of a credible Integrated Development Plan, adopted oversight and approved policies relevant to ensure service delivery.

### T3.69.2: SERVICE STATISTICS FOR EXECUTIVE AND COUNCIL

Council Affairs	Effective and efficient oversight through improved reports by 30 June 2022	Convene five (5) Local Economic Development Sanding Committee by 30 June 2019	-	Convened four (4) Local Economic Development Standing committee on: 1. 25 July 2018. 2. 15 October 2018 3. 20 February 2019 4. 07 June 2019	Deviated	Clashed with IDP Public Hearings which started on 10 to 24 April 2019	Strengthen adherence to Council Calendar in 2019-20 Financial Year
	Effective and efficient oversight through improved reports by 30 June 2023	Convene five (5) Budget and Treasury Office Standing Committee meetings by 30 June 2019	-	Convened four (5) Budget and Treasury Office standing committee meeting on: 1. 19 July 2018. 2. 16 October 2018 3. 19 February 2019 4. 17 April 2019 5. 19 June 2019	Achieved		
	Effective and efficient oversight through improved reports by 30 June 2024	convene five (5) Community Services Standing Committee meetings by 30 June 2019	-	Convened five (5) Community Services standing committee meeting on: 1. 04 September 2018. 2. 15 November 2018 3. 19 February 2019 4. 16 April 2019 5. 21 May 2019	Achieved		



	Effective and efficient oversight through improved reports by 30 June 2025	convene five (5) Special Programmes Unit Standing Committee meetings per each committee by 30 June 2019	-	Convened five (5) Special Programmes Unit standing committee meeting on: 1. 16 July 2018. 2. 30 October 2018 3. 19 March 2019 4. 15 May 2019 5. 18 June 2019	Achieved		
	Effective and efficient oversight through improved reports by 30 June 2026	convene five (5) IGR standing Committee meetings per each committee by 30 June 2019	-	Convened five (5) IGR standing committee meeting on: 1. 28 September 2018. 2. 28 November 2018 3. 20 February 2019 4. 14 May 2019 5. 19 June 2019	Achieved		-
	Effective and efficient oversight through improved reports by 30 June 2026	convene five (5) Corporate Services Standing Committee meetings by 30 June 2019	-	Convened five (5) Corporate Services standing committee meeting on: 1. 13 July 2018. 2. 10 October 2018 3. 21 February 2019 4. 12 April 2019 5. 16 May 2019	Achieved		-
	Effective and efficient oversight through improved reports by 30 June 2026	convene five (5) Human Settlement Standing Committee meetings by 30 June 2019	-	Convened four (4) Human Settlement standing committee meeting on: 1. 17 July 2018. 2. 12 October 2018 3. 19 March 2019 4. 25 June 2019	Deviated	Clashed with IDP Public Hearings which started on 10 to 24 April 2019	Strengthen adherence to Council Calendar in 2019-20 Financial Year
	Effective and efficient oversight through improved reports by 30 June 2026	convene five (5) Infrastructure Development Standing Committee meetings by 30 June 2019	-	Convened five (5) Infrastructure Development standing committee meeting on: 1. 21 August 2018. 2. 08 November 2018 3. 15 February 2019	Achieved	-	-

				4. 16 April 2019 5. 20 May 2019			
	Effective and efficient oversight through improved reports by 30 June 2027	convene four (4) ordinary executive committee meetings by 30 June 2019	-	Convened four (4) ordinary executive Committee meeting on the: 1. 22 August 2018. 2. 18 October 2018 3. 21 March 2019 4. 24 April 2019	Achieved	-	-
	Effective and efficient oversight through improved reports by 30 June 2028	convene seven (7) Special executive committee meetings by 30 June 2019	-	Convened eight (8) Special executive Committee meeting: 1. 24 July 2018 2. 18 October 2018, 3. 26 November 2018 4. 07 December 2018 5. 21 January 2019 (no report) 6. 21 February 2019 7. 24 May 2019 8. 21 June 2019	Achieved	-	-
	Effective and efficient oversight through improved reports by 30 June 2029	Convene four (4) ordinary council sittings by 30 June 2019	-	Coordinated four (4) ordinary sitting of Council on: 1. 29 August 2018. 3. 26 October 2018 2. 29 March 2019 3. 30 April 2019	Achieved	-	-

	Effective and efficient oversight through improved reports by 30 June 2030	Convene seven (7 )special council sittings by 30 June 2019	-	Coordinated seven (7) Special Council meetings on: 1. 30 July 2018 2. 30 November 2018 3. 14 December 2018 4. 25 January 2019 5. 28 February 2019 .6 30 May 2019 7. 27 June 2019	Achieved	-	-
	Bringing Council to the people (accountability)	hold one (1) open Council meeting by 30 June 2019	-	Open Council not done	Deviated	Financial constraints and the Council was notified about financila challenges experienced	Provided in 2019/20 Financial year

#### T3.24.3 . EXECUTIVES AND COUNCIL TAKEN FROM THE SDBIP

Strategic Focus Area	Outcomes Indicator (5 year)	ANNUAL PERFORMANCE REPORT GOOD GOVERNANCE
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		Annual Target	Revised Target	Actual Performance	Achieved/ Deviated	Reason for Deviation	Corrective Measure
Public Participation	Better understanding of the Municipal Affairs by 30 June 2022	Conduct four (4) civic education by 30 June 2019	Conduct six (6) civic education by 30 June 2019	Conducted six (6) civic education as follows : 1. Ward 1 -21/08/2018, 2. ward 22 -07/12/2018, 3. ward 31 -28/03/2019 4. ward 6 -28/03/2019, 5. ward 26- 18/06/2019 6. ward 14 - 18/06/2019	Achieved	-	-
	Decentralised intergovernmental relations through analysis of stakeholder participation by 30 June 2022	Assess war rooms in all 32 wards and submit quarterly reports to council by 30 June 2019 (as part of section 52 (d) report)	-	Assessed war rooms in all 32 wards and submitted quarterly reports to council (as part of section 52 (d) report)	Achieved	-	-
	Reduced number of complaints and petitions	Attend all complaints received and Update complaints register and submit report quarterly to Council (as part of section 52 (d) report) by 30 June 2019	-	Attended all eight (8) received complaints and Updated complaints register and submitted report quarterly to Council (as part of section 52 (d) report)	Achieved	-	-

		Attend all petitions received and Update petition register and submit report quarterly to Council (as part of section 52 (d) report) by 30 June 2019		Attended all petitions received and Updated petition register and submitted report quarterly to Council (as part of section 52 (d) report).	Achieved	-	-
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	Improved ward committee and community participation in the processes of the municipality by 30 June 2022	Coordinate sitting of twelve (12) Ward committee by 30 June 2019	Coordinate eighteen sittings of (18) Ward committee meetings by 30 June 2019	Coordinated eighteen sittings of (18) Ward committee meetings as follows: 1. Ward 27 - 08/08/2018, 2. Ward 30-19/09/2018 3. ward 26-19/09/2018, 4. ward 9-15/10/2018, 5. ward 21-19/11/2018, 6. ward 12 -04/12/2018, 7. ward 4 -12/02/2019, 8. ward 20-11/02/2019, 9. ward 8-12/02/2019, 10. ward 6-10/05/2019, 11. ward 28-05/06/2019, 12. ward 2- 11/06/2019, 13. ward 24-12/06/2019, 14. ward 13-19/06/2019 15. Ward 03 - 14/05/2019 16. Ward 17 - 17/05/2019 17. Wad 16 - 18/02/2019 18. Ward 18 - 19/11/2018	Achieved	-	-
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		Coordinate four ( 4) ward community meeting by 30 June 2019	-	Coordinated four ( 4) ward community meetings as follows: 1. Ward 26 -19/09/2018 2. Ward 11-05/12/ 2018 3. Ward 22 -04/ 03/ 2019, 4. Ward 26 -18/06/2019	Achieved	-	-
		convene six (6) stakeholder engagements by June 2019	<b>Remove target from the SDBIP</b>	Target revised		-	-
<b>Municipal Planning</b>	Consulted , approved and monitored implementation of IDP by Council	Conduct annual IDP and Budget review for 2019/2020 Financial year by 30 May 2019		Conducted annual IDP and Budget review for 2019/2020 Financial year and submitted it to Council on 30 May 2019	Achieved	-	-
		Conduct one ( 1) IDP & Budget Public Hearing by 30 June 2019	-	Conducted 1 IDP & Budget public hearings at all 32 wards from 10 -24 April 2019	Achieved	-	-
		Conduct 2 mayoral Imbizo's (mid year and annual report) by 30 June 2019	-	Conducted 2 mayoral Imbizo's (mid year and annual report presented . The Mid year was presented during the IDP public hearings held on 10 -24 April 2019	Achieved	-	-
		convene strategic planning for IDP Review by 30 June 2019	-	Convened the Council strategic Session on 12 to 14 March 2019	Achieved	-	-

	Improved participation by all sector departments through integration of plans on IDP.	Conduct three (3) IGR fora by 30 June 2019	-	Conducted one (1) IGR forum on 26 September 2018	Deviated	The Municipality has several meetings held by departments wanting the same stakeholders that collapsing the IGR Fora	The structure of IGR has been changed into three clusters with the purpose of improving the functionality of IGR
		Coordinate four (4) Social Needs Cluster Meetings by 30 June 2019	-	Coordinated four (4) Social Needs Cluster Meetings as follows: 1. 26 July 2018 2. 01 October 2018 3. 27 March 2019 4. 10 June 2019	Achieved	-	-
		Conduct four (4) infrastructure and roads forum by 30 June 2019	-	Conducted 3 infrastructure and roads foras as follows: 1. 26 September 2018 2. 27 Nov 2018 Collapsed 3. 28 March 2019	Deviated	Meeting scheduled for 27 November 2018 was poorly attended and then collapsed for Q2 and for Q4 Institution was committed on Elections and attending to various community issues	Plan for next financial year of 2019/20 financial year
		Convene four (4) Community Safety Fora sittings by 30 June 2019	-	Convene four (4) Community Safety Fora sittings as follows" 1. 13 Sptember 2018 2. 29 November 2018 3. 21 February 2019 4. 09 April 2019	Achieved	-	-
		Convene four (4) housing fora by June 2019	-	Four (4) housing fora convened: 1. 11 September 2018 2. 14 November 2018 3. 25 May 2019, 4. 14 February 2019,	Achieved	-	-



		Hold four (4) Housing consumer education by June 2019	-	Six (6) Housing consumer education held as follows: 1. 26 September 2018 2. 27 September 2018 3. 24 October 2018 4. 05 December 2018 5. 11 June 2019 6. 18 June 2019	Achieved	-	-
		Hold four (4) Building Control consumer education by June 2019	-	Three (3) Building control consumer education held as follows: 1. 26 February 2019 2. 28 February 2019 3. 30 May 2019	Deviated	One building control consumer education could not be held due to poor response and attendance by community members	The department will in future seek to merge this building control consumer education with the rate payers meeting.
		Co-ordinate four(4) meetings with ESKOM for planning and/or implementation of Nyandeni Local Municipality Projects implemented by ESKOM by June 2019		Co-ordinated Ten (10) meetings with ESKOM for planning and/or implementation of Nyandeni Local Municipality Projects implemented by ESKOM by June 2019. 1. 28 Aug 2018 2. 24 Oct 2018 3, 10 Jan 2019 (no report /invite) 4. 15 Jan 2019 5. 29 Jan 2019 6. 07 March 2019 (no report) 7. 11 to 14 March 2019 (nothing)) 8. 28 March 2019; 9. 11 to 13 June 2019 10. 27 June 2019(no report and invite)	Achieved	-	-

		Facilitate six (6) meetings for the purpose of measuring progress and sanitation provision by OR Tambo District Municipality by June 2019		Facilitated Seven (7) meetings with OR Tambo District Municipality by June 2019 19-20 July 2019; 20 Sept 9 18 Oct 2018; 4 Feb 2019; 5-9 and 11-14 March 2019; 29 April 2019;	Achieved	-	-
		Coordinate four (4) LED fora by 30 June 2019		Coordinated four (4) LED fora as follows: 1. 12 September 2018 2. 06 November 2018 3. 29 March 2019 4. 21 June 2019	Achieved	-	-
		Convene four (4) communicators fora by 30 June 2019		Convene four (4) communicators fora as follows: 1. 19 September 2018 2. 22 November 2018 3. 29 March 2019 4. 27 June 2019	Achieved	-	-
		Convene four (4) ECDC fora by 30 June 2019		Convened four (4) ECDC fora as follows: 1. 23 October 2018 2. 25 February 2019 3. 20 March 2019 4. 27 May 2019	Achieved	-	-
		Host one (1) ECDC Summit by 30 June 2019	-	Hosting of ECDC Summit not done	Deviated	Non functionality of the ECDC forums which have since been addressed by 30 June 2019	The summit will only take place once engagements with DOSD and DOE are complete in terms of roles

							and responsibilities
		Convene four (4) Transport Fora Sitzings by 30 June 2019	-	Four (4) Transport Forum meetings convened as follows 1.13/09/2018, 2. 29/11/2018, 3. 21/02/2019 4. 09/04/2019	Achieved	-	-
	Educated support groups through analysis of reports.	Convene four (4) Local Aids Council sittings by 30 June 2019	-	Convened four (4) Local Aids Council as follows: 1. 08 August 2018 2. 23 October 2018 3. 14 February 2019 4. 12 April 2019	Achieved	-	-
	Improved participation by all sector departments through integration of plans on IDP.	Participate in forty (40) inter municipal relations and sector engagements by 30 June 2019	Participate in twenty (20) inter municipal relations and sector engagements by 30 June 2019	Report on the inter municipal relations and sector engagements has been compiled	Achieved	-	-
	<b>Community Involvement in Project Implementation</b>	Development of Institutional and Social Development (ISD) Annual Report with social development data	-	Developed Institutional and Social Development (ISD) Annual Report with social development data	Achieved	-	-
	Adopted medium to long term plan by June 2022	Support one (1) film project for youth (Implementation of 2030 vision)	-	The film youth project has not supported	Deviated	Due to the conflict among the project members	Target included in the 2019/20 Financial year

Legal Services and By-laws	Better management of litigations through maintain ace of a litigation register by June 2022	Update litigation register on old and new cases and submit it to council quarterly as part Section 52 (d) by 30 June 2019	-	The Litigation Register has been updated and submitted to Council.	Achieved.	-	-
	Centralised contract management by June 2022	Review contract management policy and procedure manual by 30 June 2019	-	The contract management policy and procedure manual has been reviewed.	Achieved.	-	-
		Monitor the Implementation of contract management policy and procedure manual and update contract management register and submit it to council quarterly as part Section 52 (d) by 30 June 2019	-	Contracts have been entered into and signed in accordance with contract management policy and procedure manual.	Achieved	-	-
	law and order through enforcement of by-law by 30 June 2022	Gazette the reviewed 18 by-laws and by 30 June 2019	-	All the by laws have been reviewed and gazetted in gazett no.: 4259 of the 24 June 2019.	Achieved.	-	-
	Approved System of Delegations and standing rules and orders by 2022	Review the System of Delegations and Standing Rules and Orders at least once Annually	-	The System of Delegations and standing rules and orders have been reviewed and submitted to Council	Achieved.	-	-

Communication, publicity and marketing.	Easy access and clear directions of service areas of the municipality by June 2022	Implementation of process plan :Install signage to key service nodes	-	Initiated procurement for branding of 5 Municipal key points/ sites ( 3 Municipal Building sites, Town Hall Libode and Ngqeleni	Deviated	The procurement process was initiated in August 2018, but the project was not finalized by Supply Chain	Target removed from 2019/20 financial year
		Develop municipal Logo in line with 2030 Vision by 30 June 2019	target removed	-	-	-	-
	communicate programme and service delivery of the municipality through newsletters by 30 June 2022	Implement the Municipal Communication Strategy: (Produce and publish 4 quarterly newsletters and distribute 40 000 copies) by 30 June 2019	Produce and publish 2 Editions of newsletters and distribute 20 000 copies	Three (3) news letters Produced, published and distributed 30 000 copies	Achieved	-	-
Internal Audit Services	Guided internal Audit Unit and Audit Committee functioning through approved annual audit committee charter, annual internal audit charter and annual internal audit plan by June 2022	Review Audit Committee Charter, Internal Audit Charter and Internal Audit Plan and submit to audit committee by 30 June 2019	-	The following documents were reviewed, tabled and approved in the audit committee meeting held on 05 July 2018 : 1. Audit Committee Charter, 2. Internal Audit Charter and 3. Internal Audit Plan: 2018/19	Achieved	-	-

	Improved internal controls, systems and procedures by 30 June 2022	Carry out and report on 16 audit projects as listed in the internal audit plan for the year ending 30 June 2019	-	<p>Sixteen (16) Audits Projects were conducted and tabled to the audit committee. The following audits were conducted:</p> <ol style="list-style-type: none"> <li>1. 2017/18 AFS review</li> <li>2. 2017/18 Q4 Performance Information</li> <li>3. 2017/18 Annual Performance Information</li> <li>4. ICT</li> <li>5. 2018/19 Predetermined Objectives</li> <li>6. 2018/19 Q1 Performance Information</li> <li>7. 2018/19 Q2 Performance Information (Mid -Year)</li> <li>8. 2018/19 Q3 Performance Information</li> <li>9. Follow-up on Maintenance Review</li> <li>10 Follow-up on Waste Management</li> <li>11. Follow-up on Payroll Management</li> <li>12. Follow up on Registering Authority</li> <li>13. 2019/20 Predetermined Objectives</li> <li>14. LED</li> <li>15. Dashboard - Q1</li> <li>16. Dashboard - Q2 (Refer of CDD for POE)</li> </ol>	Achieved	-	-
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	effective and efficient oversight through improved audit outcomes by 30 June 2022	Convene six (6) audit committee meetings to perform oversight on Municipal internal controls through internal audit reports by 30 June 2019	-	Six audit committee meetings were held on the following dates: 1. 04 July 2018 2. 05 July 2018 3. 22 August 2018 4. 25 October 2018 5. 25 March 2019 6. 20 June 2019.	<b>Achieved</b>	-	-
<b>Institutional Risk Management</b>	guided risk management processes through approved risk management strategy, policy, risk register, risk profile and risk management charter by 30 June 2022	Review Risk management profile, risk management charter and risk management framework by 30 June 2019	-	1. The municipal Risk Management profile was reviewed. The following registers for the 2018/19 financial year are maintained: a) Strategic Risk Register b) Operational Risk Register c) Fraud Risk Register. 2. The RMC Charter and Risk Management Framework/Policy were approved by audit committee on the 22 Aug 2018 (Refer to CD for POE)	<b>Achieved</b>	-	-
	Mitigated fraud and corruption by 30 June 2022	Review fraud risk management policy, fraud risk management plan and whistle blowing policy by 30 April 2019	-	Reviewed Fraud Risk Management Policy, Fraud Risk Management Plan and Whistle Blowing Policy and presented in the Council policy workshop	<b>Achieved</b>	-	-

		Conduct two (2) anti fraud awareness campaigns by 30 June 2019		The two Ethics and Integrity Awareness campaigns was separately aimed for councillors and management but was conducted during Council policy workshop held on 27 June 2019 of which was attended by both Councillors and Management	<b>Achieved</b>	-	-
	mitigate risk to desired risk rating (low) by 30 June 2021	Convene six (6) risk management committee meetings by 30 June 2019	-	Four risk management committee meeting were held as follows: 1. 21 August 2018 2. 19 October 2018 3. 19 March 2019 4. 10 June 2019	<b>Deviated</b>	The six meetings were four ordinary and two special meetings but there was no need special Risk committee meetings as anticipated	The target has been rectified in the 2019/20 financial year and a schedule of annual meetings for the 2019/20 financial year has been developed
<b>Council Affairs</b>	Effective and efficient oversight through improved reports by 30 June 2022	Convene five (5) Local Economic Development Sanding Committee by 30 June 2019	-	Convened four (4) Local Economic Development Standing committee on: 1. 25 July 2018. 2. 15 October 2018 3. 20 February 2019 4. 07 June 2019	Deviated	Clashed with IDP Public Hearings which started on 10 to 24 April 2019	Strengthen adherence to Council Calendar in 2019-20 Financial Year
	Effective and efficient oversight through improved reports by 30 June 2023	Convene five (5) Budget and Treasury Office Standing Committee meetings by 30 June 2019	-	Convened four (5) Budget and Treasury Office standing committee meeting on: 1. 19 July 2018. 2. 16 October 2018 3. 19 February 2019 4. 17 April 2019 5. 19 June 2019	Achieved		



	Effective and efficient oversight through improved reports by 30 June 2024	convene five (5) Community Services Standing Committee meetings by 30 June 2019	-	Convened five (5) Community Services standing committee meeting on: 1. 04 September 2018. 2. 15 November 2018 3. 19 February 2019 4. 16 April 2019 5. 21 May 2019	Achieved		
	Effective and efficient oversight through improved reports by 30 June 2025	convene five (5) Special Programmes Unit Standing Committee meetings per each committee by 30 June 2019	-	Convened five (5) Special Programmes Unit standing committee meeting on: 1. 16 July 2018. 2. 30 October 2018 3. 19 March 2019 4. 15 May 2019 5. 18 June 2019	Achieved		
	Effective and efficient oversight through improved reports by 30 June 2026	convene five (5) IGR standing Committee meetings per each committee by 30 June 2019	-	Convened five (5) IGR standing committee meeting on: 1. 28 September 2018. 2. 28 November 2018 3. 20 February 2019 4. 14 May 2019 5. 19 June 2019	Achieved		-
	Effective and efficient oversight through improved reports by 30 June 2026	convene five (5) Corporate Services Standing Committee meetings by 30 June 2019	-	Convened five (5) Corporate Services standing committee meeting on: 1. 13 July 2018. 2. 10 October 2018 3. 21 February 2019 4. 12 April 2019 5. 16 May 2019	Achieved		-

	Effective and efficient oversight through improved reports by 30 June 2026	convene five (5) Human Settlement Standing Committee meetings by 30 June 2019	-	Convened four (4) Human Settlement standing committee meeting on: 1. 17 July 2018. 2. 12 October 2018 3. 19 March 2019 4. 25 June 2019	Deviated	Clashed with IDP Public Hearings which started on 10 to 24 April 2019	Strengthen adherence to Council Calendar in 2019-20 Financial Year
	Effective and efficient oversight through improved reports by 30 June 2026	convene five (5) Infrastructure Development Standing Committee meetings by 30 June 2019	-	Convened five (5) Infrastructure Development standing committee meeting on: 1. 21 August 2018. 2. 08 November 2018 3. 15 February 2019 4. 16 April 2019 5. 20 May 2019	Achieved	-	-
	Effective and efficient oversight through improved reports by 30 June 2027	convene four (4) ordinary executive committee meetings by 30 June 2019	-	Convened four (4) ordinary executive Committee meeting on the: 1. 22 August 2018. 2. 18 October 2018 3. 21 March 2019 4. 24 April 2019	Achieved	-	-
	Effective and efficient oversight through improved reports by 30 June 2028	convene seven (7) Special executive committee meetings by 30 June 2019	-	Convened eight (8) Special executive Committee meeting: 1. 24 July 2018 2. 18 October 2018, 3. 26 November 2018 4. 07 December 2018 5. 21 January 2019 (no report) 6. 21 February 2019 7. 24 May 2019 8. 21 June 2019	Achieved	-	-

	Effective and efficient oversight through improved reports by 30 June 2029	Convene four (4) ordinary council sittings by 30 June 2019	-	Coordinated four (4) ordinary sitting of Council on: 1. 29 August 2018. 3. 26 October 2018 2. 29 March 2019 3. 30 April 2019	Achieved	-	-
	Effective and efficient oversight through improved reports by 30 June 2030	Convene seven (7) special council sittings by 30 June 2019	-	Coordinated seven (7) Special Council meetings on: 1. 30 July 2018 2. 30 November 2018 3. 14 December 2018 4. 25 January 2019 5. 28 February 2019 6. 30 May 2019 7. 27 June 2019	Achieved	-	-
	Bringing Council to the people (accountability)	hold one (1) open Council meeting by 30 June 2019	-	Open Council not done	Deviated	Financial constraints and the Council was notified about financial challenges experienced	Provided in 2019/20 Financial year
	Skilled councillors to enhance council oversight by 30 June 2022	Provide two (2) capacity building programmes for councillors by 30 June 2019	-	Conducted two (2) capacity building on basic project management and LED Learnership on 12 to 16 November 2018	Achieved	-	-
	Effective and efficient oversight through improved reports by 30 June 2022	Convene four (4) section 79 meetings <b>MEMBERS INTEREST</b> by 30 June 2019		Convene four (4) section 79 meetings - Ethics and Members Interest on: 1. 23 November 2018 2. 05 December 2018 3. 20 May 2019 4. 18 June 2019	Achieved	-	-

		Convene four (4) section 79 meetings <b>MPAC</b> by 30 June 2019	-	Convened eight (4) section 79 meetings - MPAC on: 1. 19 September 2018 2. 20 November 2018. 3. 17 May 2019 4. 25 June 2019	Achieved	-	-
		Convene four (4) section 79 <b>WOMANS CAUCUS</b> meetings by 30 June 2019	Convene Two (2) section 79 WOMANS CAUCUS meetings by 30 June 2019	Convened one (1) 1. 13 March 2019	Deviated	Clashed with IDP Public Hearings which started on 10 to 24 April 2022	Strengthen adherence to Council Calendar in 2019-20 Financial Year
		Convene four (4) section 79 <b>Public Participation and Petitions Committee</b> meetings by 30 June 2019	-	Convened four (4) section 79 meetings - PUBLIC PARTICIPATION AND PETITIONS COMMITTEE on: 1. 26 September 2018. 2. 21 November 2018 3. 30 January 2019 4. 26 February 2019	Achieved	-	-
	Effective and efficient oversight through improved reports by 30 June 2022	Facilitate Councillor Attendance to 80 Councillor Activities annually	Target Removed	-	-	-	-
	partnership with traditional leaders through participation in Council	Support four(4) traditional leaders' activities by 30 June 2019		Supported Traditional Leaders through circumcision Campaign in December, April and June 1 provided 4 sheep for burial. 2. Supported Traditional Leadership Sectoral Engagement with the Executive Mayor on the 27 November 2018 3. Supported Funeral of	Achieved	-	-

				the Queen Mother Bongoletu. 4. Supported the Coronation of the King on the 03rd of October 2018.			
Institutional Performance Management	incremental implementation of IDP annually	Develop and approve the 2019/20 SDBIP by 30 June 2019	-	The SDBIP for 2019/20 has been Developed and signed by Mayor.	Achieved	-	-
	realisation of good corporate governance principles	Obtain unqualified audit opinion ( Performance Report) with no material findings for 2017/18 audit		Obtained unqualified audit opinion ( Performance Report) with no material findings in 2017/18 financial year audit	Achieved	-	-
	compliance with National Treasury regulations, norms and standards	Compilation of MFMA section 52(D), S72, S121 and Section 46 reports by 30 June 2019	-	Compiled MFMA section 52(D), S72, S121 and Section 46 reports and submitted to Council	Achieved	-	-
		Conduct formal assessment for annual performance for the 2017/18 Financial Year		The formal assessment for annual performance for the 2017/18 Financial Year was Conducted on 24- 25 June 2019	Achieved	-	-

		Conduct one (1) formal 2018/19 mid- year assessment for senior Managers by 30 June 2019	-	The 2018/19 Mid- year assessment for senior Managers was not done.	Deviated	Due to service delivery protest actions	Conduct the Mid year assesment during annual assesment in quarter 3 of the 2019-20 Financial year
	management oversight through audit report	Convene six (6) management oversight sittings by 30 June 2019	-	Six (6) management oversight sittings convened : 1. 15 to 16 August 2018 2. 27 September 2018 3. 01 October 2018 4. 16 October 2018 5. 13 May 2019 6. 04 February 219	Achieved		
Vulnerable groups and Sports development	mainstream special designated groups in the activities of the municipalities through planned programmes and integration by 30 June 2022	Support two (2) women programmes : (Women's Day Programme and 16 Days of Activism against the abuse of women and children) by 30 June 2019	-	1. Women's Day was commemorated on 9 August 2018 in Ngqeleni Prison . 2. Hosted 16 Days of Activism against the abuse of Women and Children on 15 December 2018 at Malungeni Dvelopment Centre in ward 24.	Achieved	-	-
		Support two (2) children programmes by 30 June 2019 (Back to school & Christmas gifts )	-	1. Christmas Gifts (50 toys) handed over to children on 11 December 2018 in Canzibe Hospital and St. Barnabas Hospital. 2. Conducted back to school campaign on 11 January 2019 and handed over school uniform to 60 learners of both Mlamli J.S.S - ward 06 and Mayibenye SPS - ward 19.	Achieved	-	-

		Support two (2) elderly programmes by 30 June 2019 (Elderly Golden Games & Christmas gifts)	-	1. Hosted area and District Golden Games (16 August and 12 September 2018 ) at Ngqeleni and Mthatha. 2. Christmas gifts (100 face towels & 60 golf shirts) handed over to elderly on 27 November 2018 at Mkankato location in ward 16.	Achieved	-	-
		Support two (2) Youth programmes by 30 June 2019 (Miss Nyandeni Beauty Pageant	-	Hosted Miss Nyandeni Beauty Pageant on 23 March 2019 at Libode Town Hall. Commemorated Youth Month as follows:- 1. Conducted Youth Council Annual General Meeting on 7 June 2019. 2. Hosted Youth Month Celebration on 25 June 2019 at Smuts Ndamase S.S.S in ward 27. 3. Provincial Youth Celebration in partnership with Nyandeni Local Municipality hosted on 30 June 2019 at Ngqeleni Sport Ground.	Achieved	-	-
		Support two (2) programmes for the people with disabilities by 30 June 2019 (support one identified project & facilitate training )	-	Facilitated training for 68 learners in NQF3 - IT End user course in July 2018 and 16 learners in computer Literacy which was concluded in August 2018. 2. Supported 10 people with disabilities with wheelchairs on 16 November 2018. 3. Supported Sinovuyo disabled owned project with 2000 block bricks, 50 bags of cements and two	Achieved	-	-

				loads sand at Lujizweni loc. ward 32.			
		Support four (4) sporting programs (Mayors' cup, Easter marathon, Ntlaza Rugby development and horse racing) by 30 June 2019	-	1. Hosted Mayor's Cup Final Tournament on 6 October 2018 at Shushu Sport Grounds in Libode. 2. Hosted horse racing on 24 September 2018 at Langeni Horse Racing ground in ward 29. 3. Hosted Marathon on 21 March 2019 (from Lujecweni to Ngqeleni - 21km, 10km & 5km). 4. Supported Ntlaza Rugby tournament which was hosted on 20-22 April 2019 at Ntlaza Rugby sport ground.	Achieved		
Employment creation (EPWP)	temporal relief through EPWP employment initiatives	Employ <b>150</b> casuals through EPWP: 1. Infrastructure development <b>50</b> 2. Community services <b>66</b> 3. Planning & Development <b>34</b>		developed Institutional and Social Development (ISD) Annual Report with social development data	Achieved		



	poverty alleviation through EPWP		-				
HIV/AIDS & Health Matters	Empowered support groups by 30 June 2022	Implement HIV/Aids guidelines by Providing tools, equipment t(based on needs assessment) and capacity building to 18 ward support groups by 30 June 2019	Implement HIV/Aids guidelines by Providing Seedlings, (based on needs assessment) and capacity building to 18 ward support groups by 30 June 2019	Implemented HIV/Aids guidelines by Providing Seedlings to 18 Ward Support groups. And conducted capacity building workshop on 22 May 2019.	Achieved	-	-
	Guided support groups through programs by 30 June 2022	Review HIV/Aids guidelines by 30 June 2019		The HIV/Aids guidelines have been reviewed	Achived	-	-

	Reduce Communicable disease infection by 30 June 2022	Conduct four (4) awareness campaigns on 2 communicable Diseases (HIV & AIDS & TB) ,and 2 non communicable diseases :Cancer (Breast and Cervical) and Prostate allowance) by 30 June 2019		Four awareness campaign conducted on communicable and non-communicable diseases as follows: 1.Cancer awareness campaign on the 02/11/2018. 2. World Aids Day on the 01/12/2018. 3. School awareness campaign on drugs and teenage pregnancy on the 28/02/2019. 4. Candlelight memorial on the 17/05/2019.	Achieved	-	-
Emergency & Social Relief	provision of community safety and stability whilst seeking long-term solutions through disaster risk mitigation by 30 June 2022	Annually reporting on interim support to disaster and special destitute response (when need arises)	-	Annually report on interim support to disaster and special destitute response has been compiled	Achieved	-	-
Consultancy and professional fees	Capacitated human capital to fulfil IDP objectives	Attend 10 professional bodies 'seminars for professional standardization by 30 June 2019	Removed Target	-	-	-	-

### T 3.24.4 EMPLOYEES: EXECUTIVE AND COUNCIL

(Committee Clerk, Council Secretary, Senior Manager, Admin. Officers and Public participation)

Employees: Executive & Council ( Secretaries, Admin Officers, Committee Clerks & Public Participation : T3.24.4					
Job Level (Task Grades)	Year 0 : 2018/2019				
	Employees No. 2017/18	Posts No.	Employees No. 2018/19	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
TG 8	18	19	19	0	0%
TG 11	4	4	4	0	0%
TG 16	1	1	1	0	0%
<b>TOTAL</b>	<b>24</b>	<b>24</b>	<b>24</b>	<b>0</b>	<b>0%</b>

### T3.24.5 6 FINANCIAL PERFORMANCE: EXECUTIVE AND COUNCIL

Financial Performance Year 2019: The Executive and Council					
					R'000
Details	2018	2019			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
<b>Total Operational Revenue</b>	614	-	-	-	
Expenditure:					
Employees	505	41	43	45	6%
Repairs and Maintenance	18	-	-	-	
Other	250	18	78	-	-100%
<b>Total Operational Expenditure</b>	773	42	43	45	5%
<b>Net Operational Expenditure</b>	159	42	43	45	5%
Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.					

T 3.24.5

### T3.24.6 CAPITAL EXPENDITURE (EXECUTIVE AND COUNCIL)

Not applicable in the year under review

## 3.25 FINANCIAL SERVICES

### T3.25.1 INTRODUCTION TO FINANCIAL SERVICES

#### What we achieved?

- Prepared the Annual Financial Statements in-house
- Provided management responses and time bound action plans in response to internal and external queries
- Improved monitoring of supplier payments within the legislative timeframes

## **Preparation of annual financial statements**

S 121 of the MFMA states that:

- (1) Every municipality and every municipal entity must for each year prepare the annual financial statements which
  - (a) Fairly present the state of affairs of the municipality or entity, its performance against its budget its management of revenue, expenditure, assets and liabilities, its business activities, its financial results, and its financial position as at the end of the financial year; and
  - (b) Disclose the information required in terms of section 123, 124 S

126 of the MFMA states that

- (1) The accounting officer of a municipality-
  - (a) Must prepare the annual financial statements of the municipality and within two months after the end of the financial year to which those statements relate, submit the statements to the Auditor General for auditing

Nyandeni Local Municipality prepared its annual financial statements, and submitted them to the Auditor general within the relevant timeframes

## **Management Responses to Audit Queries**

The municipality received Unqualified Audit Opinion with 2 matters. After Auditor General has issued out the audit report, the audit action plan to address the issues raised by Auditor General has been compiled. All the relevant parties participate in the monitoring of the audit action plan

## **Monitoring of the Payment of Suppliers**

The municipality introduced the payment cycle in its payment procedures, where it was resolved that the payments to the suppliers should be made twice a month i.e. on the 15<sup>th</sup> and 31<sup>st</sup> or last day of the month. The payment to service providers are paid within 30 days from the date of receipts of invoice by the Budget and Treasury Office.

## **T3. 25.2 Financial Services: Debt Recovery**

In the year under review there was a debt collector, REVCO assisting the municipality in collection of old debts and debts from government.



### T3.25.3: FINANCIAL POLICY OBJECTIVES AS TAKEN FROM THE IDP

Strategic Focus Area	5 Year Objective	MUNICIPAL FINANCIAL VIABILITY					
		Annual Target	Revised Targets	Actual Performance	Achieved / Deviated	Reason for Deviation	Corrective Measure
Revenue Management	To increase own revenue by 40% in 2022	Review Integrated Revenue Enhancement Strategy by 30 June 2019	-	An Integrated Revenue Enhancement Strategy was reviewed, and approved together with the budget related policies in a Council Meeting held on 30 May 2019	Achieved	–	–
		Implement Integrated Revenue Enhancement Strategy by 30 June 2019	-	Progress report on implementation of revenue enhancement strategy showing the progress made in implementing the strategy during the year.	Achieved	–	–

		Report on reduced debtors book by 15% by 30 June 2019	Report on reduced debtors book reduced by value of R2 100 000 by 30 June 2019	4 reports on reduced debtors book (collect R 2 100 000): An amount of R11 646 931.59 has been collected to reduce debtors book by 42% as at 30 June 2019, and is reflected in our annual revenue and expenditure report.	Achieved	–	–
		Approval of Supplementary Valuation Roll by 30 June 2019	-	The supplementary valuation roll was signed and approved by valuer. Valuation of 82 erven in Libode was executed, and erf 913 in Ngqeleni.	Achieved	–	–
Expenditure management	To ensure effective and efficient Budget and Expenditure management	Approved Budget for 2019/20 by Council by 31 May 2019	-	2019/20 Annual Budget was approved by the Council in 30 May 2019, and submitted to National Treasury together with the	Achieved	–	–

				budget related polices			
		Preparation and submission Budget returns, s 52(d) s71, s72 B schedule, and C schedule as per MFMA calendar	Revised Quarterly targets for quarter 3 and 4	Preparation and submission of 19 Reports: 12 monthly reports,4 quarterly reports , 1 mid-year, and 2 B Schedule to council, Provincial and National Treasury per MFMA calendar: Signed Copies of S 52(d) reportx4, Monthly S71reports, S72 report, B Schedule were compiled, and signed.	Achieved	–	–



		100% spent on EPWG,MIG,FMG,INEP, STRP(small town revitalisation programme)	-	100% spent on EPWG, MIG, FMG, INEP, STRP (Small town revitalisation programme: Signed reports of conditional grants were compiled and submitted to the relevant funders. Municipality spent fully all the conditional grants during the year under review.	Achieved	—	—
		Report on payment of invoices within 30 days by 30 June 2019	-	4 reports on payment of invoices within 30 day generated: Signed Creditors Age analysis report as a proof that invoices submitted to BTO were paid within 30 days of receipt of that invoice.	Achieved	—	—

Asset management	To ensure proper management of municipal assets	Update GRAP Compliant Asset Register by 30 June 2019	-	Updated GRAP Compliant Asset Register: Signed Report reflecting on update of the GRAP compliant register has been done.	Achieved	–	–
		Monitor and Report on number of Municipal assets insured by 30 June 2019	-	4 quarterly reports on monitoring and reporting on municipal insured assets has been updated and signed by the CFO. A listing report of insured assets is available.	Achieved	–	–
		Implement the fleet management policy and procedure by 30 June 2019	-	4 quarterly reports on analysis of fleet management (vehicle condition, petrol/diesel usage, use and abuse generated: Signed Fleet Analysis Report has been updated.	Achieved	–	–

Financial Reporting	To comply with the provisions of MFMA , norms and standard of National Treasury	Signed AFS 2017/18 submitted to Auditor General, Provincial Treasury and National Treasury by 31 August 2018	-	GRAP compliant 2017/18 AFS submitted to Auditor General, Provincial Treasury and National Treasury: Annual Financial Statements were submitted to Auditor General on the 31st of August 2018, acknowledgement of AFS by Auditor general is available. Mid-Year financial statements were submitted to the Accounting officer.	Achieved	—	—
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		Submission of mSCOA reports to both Provincial Treasury and National Treasury as per MFMA calendar and provision of change management through capacity building (training of implementers, management and leadership)		12 monthly mSCOA compliance (data strings) reports submitted to both Provincial Treasury and national Treasury: Compliance reports were sent to National Treasury, proof of submissions were kept.	Achieved	–	–
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#### T3.25.4: EMPLOYEES FINANCIAL SERVICES 2018/19

JOB LEVEL	EMPLOYEE No YR 17/18	POSTS NO.	EMPLOYEE NO. 18/19	VACANCIES NO.	VACANCIES AS %
Employees: Financial Services: T3.25.4					
6	5	6	6	0	0%
7	9	9	9	0	0%
8	7	7	7	0	0
11	8	8	8	0	0%
14	2	2	2	0	0%
16	2	2	2	0	0
20	1	1	1	0	0%
<b>TOTAL</b>	<b>34</b>	<b>35</b>	<b>35</b>	<b>0</b>	<b>0%</b>

#### T3.25.5 FINANCIAL YEAR: FINANCIAL SERVICES: 2018/19

Financial Performance Year 2019: Financial Services					
R'000					
Details	2018	2019			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
<b>Total Operational Revenue</b>	249 198	253 232	242 317	257 222	6%
Expenditure:					
Employees	18 463	45 525	40 351	28 953	-28%
Repairs and Maintenance	4 279	2 655	3 115	2 634	-15%
Other	58 765	25 083	31 385	27 810	-11%
<b>Total Operational Expenditure</b>	81 507	73 263	74 851	59 397	-21%
<b>Net Operational Expenditure</b>	-167 691	-179 969	-167 466	-197 825	18%
Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.					T 3.25.5

### T3.25.6: CAPITAL EXPENDITURE: FINANCIAL SERVICES: 2018/19

Capital Expenditure Year 2019: Financial Services					
R' 000					
Capital Projects	2019				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	7600	8699	1049	-88%	
Land and buildings	5000	5610	173	-97%	173
Office furniture & equipment	1000	900	0	-100%	0
Container	500	400	0	-100%	0
Tools and equipment	100	100	32	-68%	32
Motor vehicles	1000	1689	844	-50%	844
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>					<i>T 3.25.6</i>

## **T26 HUMAN RESOURCES**

### **T 3.26.1: INTRODUCTION TO HUMAN RESOURCES SERVICES**

Internally, the functions within the Corporate Services department are aligned in terms of their own corporate roles and the overall role of Corporate Services. Corporate Affairs is primarily a support function, which plays a key role in ensuring that core operations receive the required support that is non-core.

Human resources development, transformation, mobilization and the need to create a motivated, competent and effective workforce is the responsibility of all levels of organizational leadership and management. Nyandeni Local Municipality will continue develop the necessary institutional capacity and organizational culture required to mobilize the workforce towards the necessary performance levels. The Human Resources function is geared up in executing the necessary Human Resources processes, systems and policies that will ensure effective institutional development of Nyandeni Local Municipality.

The Corporate Services Department is also responsible for Support Services Function which range from Customer Care Services, Office Accommodation, Facilities Management, Office automation and Registry/Archives Management. The Support Services Function is in a position to support with the necessary levels of capacity, competence, technology and resources.

#### **Key priorities in the year under review include:**

Policy development and review  
Organizational design  
Human Resource Development  
Employee Relations and Wellness  
Performance Management  
ICT, Governance Registry and  
Office administration

**T3.26.2 SERVICE STATISTICS FOR HUMAN RESOURCES SERVICE****T3.26.2 SERVICE STATISTICS FOR HUMAN RESOURCES SERVICES APPOINTMENTS FROM JUNE - JULY 2018-2019**

NAME OF POSITION	INITIAL & SURNAME	DATE OF APPOINTMENT
1. Public Participation Officer	X.Yase	01 July 2018
2. Supervisor Parks & Gardens	N.H.Kenya	01 July 2018
3. General Ass.Sport Field	P.Mafuna	01 August 2018
4. General Ass. Office Cleaner	S.Maqambayi	01 August 2018
5. General Ass. Office Cleaner	N.Ngangaza	01 September 2018
6. Truck Driver	S.Ntanzi	01 September 2018
7. Senior Manager Community Services	Z.Masumpa	01 October 2018
8. Manager Human Resource	T.Tshisa Ndamase	01 October 2018
9. Committee Clerk	N.Mbalekwa	01 November 2018
10. Secretary to Fulltime Councilor	Z.Mcanda	01 November 2018
11. Senior Manager Operations	S.V.Poswa	01 January 2019
12. Excavator Operator	N.Hoboyi	01 March 2019
13. Grader Operator	L.J.Qeketo	01 March 2019
14. Electrician Technician	M.Zibi	01 March 2019
15. TLB Operator	L.Nohaji	01 May 2019
16. Filing Clerk	L.Scharneck	01 May 2019
17. Employee Relation and Wellness Officer	B.Gajana	01 May 2019
18. Internal Audit Manager	L.L.Magayana	01 May 2019

**PROMOTIONS 2018/2019**

**PROMOTIONS** (refers to people who are in the municipal employee and have since been appointed on other positions in the normal recruitment and selection process)

POST	NAME	START DATE
1. Grader Operator	L.J.Qeketo	01 March 2019
2. Manager Human Resource	T.Tshisa Ndamase	01 October 2018
3. Supervisor Parks & Gardens	N H Kenya	01 July 2018



## TERMINATIONS

NAME OF POSITION	INITIAL & SURNAME	DATE OF TERMINATION	REASON
1. General Assistant :Landfill Site	S.Mapitiza	July 2018	Death
2. Licensing Examiner 3.	S.Ndamase	October 2018	Dismissal
4. Electrician Technician (Capital )	A.Mbasane	September 2018	Resignation
5. Internal Audit Manager	S.Mandla	November 2018	Resignation
6. Manager Human Resource	N.Koka Bulane	August 2018	Contract End

**T3.25.3 HUMAN RESOURCES POLICY OBJECTIVES TAKEN FROM THE IDP**

<b>Strategic Focus Area</b>	<b>Outcomes Indicator (5 years)</b>	<b>Annual Target</b>	<b>Revised Annual Target</b>	<b>Actual Performance</b>	<b>Achieved/ Deviated</b>	<b>Reason for Deviation</b>	<b>Corrective Measure</b>
Policy development and review	Improved sound governance through uniform systems and mechanism by 30 June 2022	Review Forty Two ( 42) policies which were approved by Council in 2017/18 by 30 June 2019 (Refer to Annexures)	Review Fifty five ( 55) policies which were approved by Council in 2017/18 by 30 June 2019 (Refer to Annexures)	1. Fifty five (55) HR and ICT policies reviewed and adoption by Council on the 27th of June 2019 2. Departments were consulted on 12 March 2019 and requested to submit the identified gaps on 25 March 2019	Achieved	–	–
		Review all Eleven (11) Budget and Treasury policies by 30 June 2019 (Refer to annexure)	-	1. Eleven (11) Budget and Treasury Office policies reviewed and adoption by Council on the 27th of June 2019.	Achieved	–	–

		Review all Nine (9) Executive and Council policies (Refer to annexure)	-	1. Nine (9) Executive and Council policies reviewed and adoption by Council on the 27th of June 2019.	Achieved	–	–
		Review four (4) Community Services policies : Early childhood, Waste management, Pound and Library policies by 30 June 2019	-	1. Four (4) Community Services policies reviewed and adoption by Council on the 27th of June 2019.	Achieved	–	–
		Review all Six (6) Infrastructure Development policies (Refer to annexure) by June 2019	-	1. Six (6) reviewed Infrastructure Development policies reviewed and adoption by Council. 2. Consultation conducted	Achieved	–	–

		Review all Three (3) Planning and Development policies (Refer to annexure) by June 2019	-	1. Three (3) Planning and Development policies reviewed and adoption by Council on the 27th of June 2019.	Achieved	–	–
		Develop two (2) new Planning and Development Policies( Building Control Policy and Street Naming Policy) by June 2019	-	Develop one ) new Planning and Development Policies( Building Control Policy but Street Naming Policy not done	Deviated	Lack of funds	Budget has been allocated in the 2019/2020 Financial year
	LED Strategy reviewed to inform IDP by 30 June 2022	Review LED strategy by June 2019	-	LED strategy reviewed without ammendments	Achieved	–	–

	<p>policies for governance and operations developed to enhance uniformity and equity by 30 June 2022</p>	<p>Convene One (1) Policy development and review session annually</p>	-	<p>Convened one (1) policy development and review session for adoption policies by council on the 22-24 May 2019</p>	Achieved	-	-
Organisational development	<p>Human capital to fulfil IDP objectives 2017/18 to 2021/22</p>	<p>Review organogram annually by 30 the June 2019</p>	-	<p>Organogram reviewed and adopted by Council on the 27 June 2019.</p>	Achieved	-	-
		<p>Sign 100% of Job Descriptions for all posts by 30 June 2019</p>	-	<p>100% of Job Descriptions of all new employees were signed by all relevant persons</p>	Achieved	-	-
		<p>Maintain vacancy rate to 1% by 30 June 2019</p>	-	<p>Eighteen 18 posts filled for 2018-2019, the vacancy rate is at 4% as at June</p>	Deviated	<p>Additional vacancies created at lower level due to natural attrition and promotions.</p>	<p>Recruitment to be finalised next financial year.</p>

Skills Development	Capacitated human capital to fulfil IDP objectives 2017/18 to 2021/22	75% of trainings in the WSP to be implemented by 30 June 2019	-	Out of nineteen (19) trainings, sixteen (16) have been implemented in the WSP. 84% of trainings in the WSP have been implemented	Achieved	–	–
		Provide Twenty (20) qualifying employees with study assistance by 30 June 2019	-	Provided Twenty (20) qualifying employees with study assistance	Achieved	–	–
		Convene Four (4) Skills Development & EE Committee meetings	-	Convened Four (4) Skills Development & EE Committee meetings on the following dates: 1. 25 September 2018 2. 12 November 2018 3. 17 January 2019 4. 25 April 2019	Achieved	–	–

		Attend Six (6) ICT and HR professional bodies meetings and seminars by 30 June 2019	Attend Six (6) ICT and HR meetings and seminars by 30 June 2019	Attend Six (6) ICT and HR meetings and seminars on the following dates: 1. Four (4) HR meetings/ Seminars on: 09-10/07/2018 20-21/09/2018 31/10 - 02/11/2018 12-14/06/2019 2. Two (2) ICT Seminar on 21-22/11/2018 and 12-14/06/2019	Achieved	–	–
Staff Provisioning		Review HR Strategy (Plan) by 30 June 2019		Reviewed the HR Strategy on the <b>23 May 2019</b> and adopted by Council on the 30 May 2019	Achieved	–	–
Compliance with Labour related Legislations and Collective Agreements	Compliance with department of labour employer legislation	50% of the EE Plan targets achieved by 30 June 2019	-	Out of three (3) EE Plan targets, two have been achieved. 66% of the EE Plan target has been achieved.	Achieved	–	–

		Submit EER by 15 January 2019	-	Submitted Annual EE Report signed on the 11th of December 2018	Achieved		–
		Submission of ROE Report to the DoL by 31 May 2019	-	Sumbitted the ROE Report on the 23 May 2019	Achieved	–	–
		Convene Four (4) LLF meetings by 30 June 2019	-	Convened four (4) LLF meetings by 30 June 2019 on the following dates: 1. 06th September 2018 2. 13 November 2018 3. 14 February 2019 4. 26 June 2019	Achieved	–	–



		Convene Four (4) OHS Committee meeting to monitor compliance with the Act. by June 2019	-	Convened Four (4) OHS Committee meeting to monitor compliance with the Act on the following dates: 1. 20th September 2018 2. 07 November 2018 3. 15 March 2019 4. 05 June 2019	Achieved	–	–
Employee health and Wellness	Motivated Workforce by 30 June 2022	Develop and implement wellness plan by 30 June 2019	-	Developed and implemented wellness plan	Achieved	–	–
Records Management	Institutional record management in Libode and Ngqeleni	Develop and implement electronic document management system phase 1		Service provider was appointed and installed the EDMS	Deviated	Scanning of documents took longer than anticipated.	The projected will be carried over to next financial year. The expected completion date is 31 July 2019

Facilities and office Management	NHBRC and OHS compliant facility	Provide repairs and maintenance of existing buildings as the need arise	-	Provided repairs and maintenance of existing buildings. Four (4) reports prepared on repairs and maintenance of buildings	Achieved	–	–
	Increased Office Space	Construction of Phase 2 of Ngqeleni Municipal Offices Upgrade by 30 June 2019	-	The construction is at 70% .	Achieved	–	–
		Expansion of Libode Offices	-	None	Deviated	Lack of funds	Targets has been carried over to SDBIP 2019-2020.
Customer Care	Customer care through realisation of Batho Pele principles	Conduct Two (2) awareness and Review of Service Standards Charter by 30 June 2019	-	Conducted Two (2) awareness workshops and Review of Service Standards Charter	Achieved	–	–

### T3.26.4 EMPLOYEES: HUMAN RESOURCE SERVICES

	HUMAN RESOURCE STAFF T.3.26.2		Year 0		
JOB LEVEL	EMPLOYEE NO.FY 16/17	POSTS NO.	EMPLOYEE NO. FY 17/18	VACANCIES NO.	VACANCIE
3	27	28	26	2	7%
4	2	2	2	0	0%
7	9	9	9	0	0%
8	1	1	1	0	0%
10	0	0	0	0	0%
11	5	5	5	0	0%
12	0	0	0	0	0%
16	1	1	1	0	0%
20	1	1	1	0	0%
<b>TOTAL</b>	<b>46</b>	<b>47</b>	<b>45</b>	<b>2</b>	<b>4,2%</b>



Financial Performance Year 2018: Human Resource Services					
R'000					
Details	2017	2018			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
<b>Total Operational Revenue</b>	583	400	400	221	-45%
Expenditure:					
Employees	18,944	14,047	14,047	19,514	39%
Repairs and Maintenance	516	1,119	919	897	-20%
Other	12,826	9,367	9,702	9,999	7%
<b>Total Operational Expenditure</b>	32,286	24,533	24,668	30,410	24%
<b>Net Operational Expenditure</b>	-31,703	-24,133	-24,268	-30,189	25%
<i>Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.</i>					
T 3.26.5					

### T3.26.6 CAPITAL EXPENDITURE: HUMAN RESOURCE SERVICES

Capital Expenditure Year 2018: Human Resource Services					
R' 000					
Capital Projects	2018				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	5,372	6,381	4,663	-13%	
Land & Buildings	5,000	6,009	4,500	-10%	0
Office furniture & Equipment	372	372	163	-56%	0
					0
					0
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).</i>					
T 3.26.6					

### 3.27 INTRODUCTION TO INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

The unit is responsible for the planning and maintenance of ICT infrastructure in accordance with the required standards of good governance and maintenance of the municipal website to ensure that municipal activities are communicated both internally and externally, end user support and coordination of the ICT Governance Committee. The unit has rolled out a data network and voice network which connects the three main sites in Libode and Ngqeleni using the current technology.

#### ICT GOVERNANCE

ICT Governance is defines as 'specifying the decision rights and accountability framework to encourage desirable behaviour in the use of IT. The complexity and difficulty of explaining IT governance is one of the most serious barriers to improvement.

ICT governance is about who makes decisions while management is about making and implementing the decisions. Effective ICT governance for the Municipality will answer three questions:

- What decisions must be made
- Who should make these decisions
- How are they made and monitored

I.C.T. governance framework was approved on the 31<sup>st</sup> of May 2016 which its aim is to institutionalise the I.C.T. governance as an integral part of corporate governance within the municipality in a uniform and coordinated manner.

The municipality has developed an ICT Enterprise Architecture (EA) which defines how the municipality will meet future business problems using Information Communication and Technology (ICT). An EA translates the municipality vision, the organisational structure and behaviour including its information systems into a strategic roadmap.

The objective of EA is to maximise investment returns, improve performance and embrace emerging technologies that support business by focusing on the following aspects:

- enable changes to the business strategy with quick-response changes in enabling processes and technology solutions;
- reduces redundancy, hence lower total cost of ownership; and
- achieves economies of scale by sharing services

## ICT GOVERNANCE COMMITTEE

The ICT Governance Committee has been established and is functional with the full support of the municipal management. The committee is chaired Mr. Maphanga Thembelani who is an Independent Chairperson and possess the required ICT expertise and experience, this is to ensure credibility, objectivity and integrity of the Committee. The main responsibilities of the Committee are as follows.

The ICT Steering Committee is responsible to:

- Take action to ensure that the ICT projects are delivered within the agreed budget and timeframe.
- Oversee development, approval and implementation of ICT Strategic objective
- Make recommendations on ICT related projects
- Advise the management and council on all ICT related matters

**The following ICT Governance policies were developed, reviewed and adopted by council on 27 June 2019 in terms of section 11 (2) of the Municipal Systems Act 32 of 2000**

Approved policies	1. ICT Governance Framework
	2. ICT Network Security Policy
	3.
	4. Acquisition of Computer Equipment Policy
	5. ICT User Account Management Policy
	6. ICT Facilities and Environmental Controls Policy
	7. Internet, Email and Intranet Usage Policy
	8. Acceptable Use of ICT Resources Policy
	9. ICT Change Management Policies and Procedures
	10. ICT Risk Management Policy
	11. ICT capacity planning and availability management
	12. Incident and problem management
	13. ICT asset management
	14. Change control management
	15. ICT vendor and SLA management
	16. Business and ICT continuity
	17. Data backup and restore
	18. Bring your own device
	19. Telephone management policy

## Internal Municipal Network

Currently our municipality has upgraded the network connectivity within its own existing buildings through Vodacom business network connectivity. Our network connectivity is using microwave link which ensure reliable and fast network connection with fewer downtime as

compared to other network connection types. There is also a fibre network link that was installed to connect main building and traffic services building.

### Disaster recovery

The municipality has purchased a data back-up software that automates data back-up in our laptops and desktops to ensure that our municipal data is backed-up. Currently the municipality has implemented (procured) an offsite data backup that ensures that our municipal data is being backed up in a secondary storage that will enable the municipality to recover the data in case of any natural disaster or man-made disaster that may occur.

The municipality considered the need to store copies of key documents, data and systems away from the main office. The remote site is at Ngqeleni Unit, it is utilised in the event of a disaster. The municipality appointed Resilient Servers and Networks to install and configure server mirroring from Libode to Ngqeleni, including supply of a server cabinet and power strip. This site replicates data from the main office

### BROADBAND

The status of ICT in our municipality indicate a need for an integrated broadband network, which will provide voice and high-speed data connectivity services to address many of the challenges experienced by local Government, local business and citizens of the municipality. Our community will enjoy the benefit of using a broadband through USAASA which is Department of Communication's agency responsible to rollout broadband to our communities. This broadband rollout it's a national project that the current government is currently implementing nationally which Nyandeni local municipality will benefit from it.

### SWOT Analysis

<b>STRENGTHS</b>	<b>WEAKNESS</b>
1. High levels of staff commitment	1. Slow networks and internet
2. Good relations with stakeholders	2. Poor environmental controls
3. Strong commitment from the municipality to support ICT initiatives	3. Inadequate ICT policies and standards
4. Dedicated server room	4. Poor network management
5. ICT Steering committee	5. Insufficient ICT budget to meet ICT requirements
6. Shared service agreement with the district	6. Insufficient budget for training ICT staff
<b>OPPORTUNITIES</b>	<b>THREATS</b>
1. New technology can enhance municipality operations	1. Increasingly sophisticated security risks and threats
2. Using ICT to enhance revenue base	2. More stringent audits focusing on controls
3. Speeding up ICT services	3. Focus on ICT by Auditor General
	4. Departments make decisions which may impact ICT without consulting ICT
	5. Constantly changing of ICT technologies

### RECORDS MANAGEMENT AND ARCHIVING

Archiving and Document Management is regulated by the Promotion of Access to Information Act (PAIA) and National Archives and Record Service of South Africa and the Records Management Policy and Procedure Manual and as such it deals with overall document management of the institution. The impending need for proper document management has necessitated that Nyandeni Local Municipality integrate its systems to ensure that there is compliance with the relevant Acts and that we properly document institutional information assets. The current implementation of Electronic Document Management Systems (EDMS) bears testimony to the fact that the institution is going with times with regards to contemporal issues around archiving. The municipality is using a three phased approach on implementing EDMS and currently phase one has been implemented. The department is in the process of disposing old document to provide space for archiving the required documents.

ICT is a unit within the municipality that falls under Corporate Services Department and it ensures that all other departments are being advised and supported on information and information technologies. The department is responsible for planning, advising and managing the ICT Systems. The ICT have set out the following priorities:

- Development of off-site data backup facility
- Supply and delivery of computers and computer equipment
- Supply and delivery for network gigabit switches
- Fibre optic network link to Traffic Services building
- Provision of Electronic Document Management System
- Supply and delivery of MS windows server software
- Service and maintenance of server room equipment

Development of ICT enterprise architecture

T3.27.3 ICT SERVICES POLICY OBJECTIVES

Strategic Focus Area	Outcomes Indicator (5 years)	Annual Target	Revised Annual Target	Actual Performance	Achieved/ Deviated	Reason for Deviation	Corrective Measure
Information and Communication Technology (ICT) Governance	safeguarding of municipal information and records	Twelve (12) backup reports generated to ensure functionality of the backup servers annually	-	Twelve (12) data backup reports generated to ensure functionality of the backup servers on the following dates: 1. 31/07/2018 2. 31/08/2018 3. 30/09/2018 4. 31/10/2018 5. 27/11/2018 6. 14/12/2018 7. 31 January 2019 8. 28 February 2019 9. 29 March 2019 10. 01 April 2019 11. 31 May 2019 12. 30 June 2019	Achieved	–	–
	ICT governance framework monitored	Convene Four (4) ICT Steering committee meetings to provide advice on good governance by 30 June 2019	-	Four (4) ICT Steering Committee meetings convened on the ff dates: 1. 02 August 2018 2. 15 October 2018 3. 30 January 2019 4. 05 April 2019	Achieved	–	–



	Appropriate use of ICT for efficient service delivery	Install disaster recovery server at Ngqeleni Unit by 30 June 2019	-	Installed disaster recovery server at Ngqeleni Unit	Achieved	-	-
		Upgrading infrastructure and IT equipment by 30 June 2019	-	Upgraded infrastructure and IT equipment	Achieved	-	-

### T3.27.4 EMPLOYEES ICT SERVICES

	HUMAN RESOURCE STAFF T.3.26.2		Year 0		
JOB LEVEL	EMPLOYEE NO.FY 17/18	POSTS NO.	EMPLOYEE NO. FY 18/ 19	VACANCIES NO.	VACANCIE
10	2	2	2	0	0%
11	1	1	1	0	0%
16	1	1	1	0	0%
<b>TOTAL</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>0</b>	<b>0%</b>

### T3.27.5 FINANCIAL PERFORMANCE: ICT SERVICES

Financial Performance Year 2019: ICT Services						R'000
Details	2018	2019				
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget	
<b>Total Operational Revenue</b>	-	-	-	-		
Expenditure:						
Employees	1 604	2 501	2 523	2 393	-5%	
Repairs and Maintenance	3	113	113	33	-71%	
Other	927	1 825	2 135	1 810	-15%	
<b>Total Operational Expenditure</b>	<b>2 534</b>	<b>4 439</b>	<b>4 771</b>	<b>4 236</b>	<b>-11%</b>	
<b>Net Operational Expenditure</b>	<b>-2 534</b>	<b>-4 439</b>	<b>-4 771</b>	<b>-4 236</b>	<b>-11%</b>	
Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.						T 3.27.5

### T3.27.6 CAPITAL EXPENDITURE: ICT SERVICES

Capital Expenditure Year 2019: ICT Services					
					R' 000
Capital Projects	2019				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	000 3	000 3	806 2	-6%	
Computer Equipment	500 1	500 1	683 1	12%	683 1
IT Infrastructural Development	200	200	-	-100%	-
Computer Software	300 1	300 1	123 1	-14%	123 1
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).					T 3.27.6

### **T3.28 PROPERTY; LEGAL; RISK MANAGEMENT AND PROCUREMENT SERVICES:**

#### **T3.28.1**

This component includes: property; legal; risk management and procurement services. The Legal Services function is located in the Office of the Municipal Manager; its main responsibility is to facilitate provision of legal advice to the entire institution. Given limited capacity the municipality has versus the kind of work that must be done, a portion of work has been outsourced. Supply Chain Management Policy is in place and aligned to National regulations. Risk Management Officer has been appointed and the Municipality continues to receive support from COGTA and OR Tambo District Municipality.

**T3.28.2: SERVICE STATISTICS FOR PROPERTY; LEGAL; RISK MANAGEMENT AND PROCUREMENT SERVICES**

**LITIGATION REGISTER: 2018/19**

<b>CASE NUMBER</b>	<b>PARTIES</b>	<b>CAUSE OF ACTION</b>	<b>STATUS</b>	<b>AMOUNT INVOLVED</b>	<b>ATTORNEYS</b>
1. Case No 55/12)	BHS BUILDING CONTRACTORS CC vs NYANDENI MUNICIPALITY	The municipality is being sued for a sum of R2 846 672.40 for the alleged unlawful cancellation of a contract for the construction of Ngqeleni Surface Road. The municipality is defending the matter as it contends that the cancellation was lawful as the company had failed to honour the conditions of the contract.	The municipality has filed its plea and the parties have finished exchanging pleadings. It seems as if the Plaintiff is not taking any further steps to take the matter forward. <b>We recommend that the matter should be taken to Council for a recommendation to remove it from the Litigation Register.</b>	R2 846 672.40 (two million eight hundred and forty six thousand six hundred and seventy two rands forty cents)	A.S. Zono Attorneys
2. Case No 1424/12	ZUKISWA SKENJANA vs NYANDENI LOCAL MUNICIPALITY	The municipality is being sued for a sum of R600 000.00 for alleged negligence because the Plaintiff slipped on the stairs in the Municipal hall when she was attending a wedding. The Municipality is defending the matter since it is alleging that at the time of the incident the hall was not under the custody of the municipality but of the person who had	The municipality is defending the matter since it is alleging that at the time of the incident the hall was not under the custody of the municipality but of the person who had hired the hall. The matter was last set down for hearing in 2015 and since then the Plaintiff has not taken any further steps to pursue the matter. <b>We recommend that the matter should be taken</b>	R600 000.00 (Six hundred thousand rands)	<b>A.S. ZONO AND ASSOCIATES</b>

CASE NUMBER	PARTIES	CAUSE OF ACTION	STATUS	AMOUNT INVOLVED	ATTORNEYS
		hired the hall. The matter has been set down for hearing on the 2 <sup>nd</sup> June 2014.	<b>to Council for a recommendation to remove it from the Litigation Register.</b>		
3. CASE NO 249/2014	MAQHAWWE CONSTRUCTION vs NYANDENI LOCAL MUNICIPALITY	The municipality is being sued for a sum R1 938 570.00 (One million nine hundred and thirty eight thousand five hundred and seventy rand) by the contractor who claims that it is money that is owned by the municipality as a standing time. This is the time that his machines stood on site while doing nothing and they claim that this was due to the fault of the municipality.	The Municipality is defending the matter as the contractor did not even finish the work that he was contracted to do. The municipality has also launched a counter claim against the contractor for unfinished work. <b>The matter was heard on the 8<sup>th</sup> of June 2017</b> and the interlocutory application was decided in favour of the Municipality with costs. The matter was last set down for December 2018 wherein it was postponed as a result of the absence of the municipality's main witness. The matter is awaiting the allocation of a new date.	R1 938 570.00 (One million nine hundred and thirty eight thousand five hundred and seventy rands).	J.A le Roux Attorneys
4. CASE NO 1454/13	SIYAPHAMBILI TRADING CC vs NYANDENI LOCAL MUNICIPALITY	A warrant for Execution was issued against the property of the Plaintiff and the sheriff has come back with a return of non-service as it is alleged that the	<b>The municipality will instruct the attorneys to appoint a tracing agent to locate the present address of the Plaintiff in order to give effect to</b>	R156 000.00 (One hundred and fifty six thousand)	J.A le Roux Attorneys

CASE NUMBER	PARTIES	CAUSE OF ACTION	STATUS	AMOUNT INVOLVED	ATTORNEYS
		Plaintiff is not known at the address that he gave when he was appointed.	<b>the Warrant of Execution.</b>		
5. CASE NO 2070/2010 & 2071/10	TAMSANQA DOTYENI vs NYANDENI LOCAL MUNICIPALITY; SELINA NONTEMBEKO MATANDA	In these matters the municipality is being sued for a combined sum of R2 000 000.00 (Two million rands) by the plaintiffs who claims that his child was killed (when he drowned in a hole) as a result of the negligence of some municipal employee who had failed to close a hole that had been dug when Thabo Mbeki township was being constructed.	The municipality is defending the matter on the basis that it is not the municipality who constructed the township and therefore it has never been the responsibility of the municipality to close the said holes. At some point <b>the matter seemed to have become dormant and was removed from the register. The matter has since been reinstated by the Plaintiff and the two matters have been consolidated</b>	R2 000 000.00 (Two million rands)	J.A le Roux Attorneys
6.CASE NO.1551/2019	NYANDENI COUNCILLORS vs THE TRUSTEES FOR THE TIME BEING: MUNICIPAL COUNCILLORS PENSION FUND	The Municipality is suing the Pension Fund for the release of pension monies that are held by the fund on behalf of Nyandeni Councillors. The reason for this is that the Councillors have ceased to be members of the Pension fund and have since joined another fund.	The matter was set down for hearing on the 28 <sup>th</sup> May 2019 but was removed from the roll because the Respondents have filed a notice to oppose.	The amount is not liquidated and has to be determined by the Court or by agreement between the parties.	J.A le Roux Attorneys
7.CASE NO. : PR35/18	SINEKHAYA MABANDLA AND OTHERS IN RE:				

CASE NUMBER	PARTIES	CAUSE OF ACTION	STATUS	AMOUNT INVOLVED	ATTORNEYS
	NYANDENI LOCAL MUNICIPALITY vs S. MABANDLA AND OTHERS				

**T3.28.3 PROPERLY, LEGAL, RISK AND PROCUREMENT SERVICES POLICY OBJECTIVES TAKEN FROM THE IDP**

<b>Strategic Focus Area</b>	<b>Outcomes Indicator (5 years)</b>	<b>Annual Target</b>	<b>Revised Annual Target</b>	<b>Actual Performance</b>	<b>Achieved/ Deviated</b>	<b>Reason for Deviation</b>	<b>Corrective Measure</b>
<b>Legal Services and By-laws</b>	Better management of litigations through maintain ace of a litigation register by June 2022	Update litigation register on old and new cases and submit it to council quarterly as part Section 52 (d) by 30 June 2019	-	The Litigation Register has been updated and submitted to Council.	Achieved.	–	–
	Centralised contract management by June 2022	Review contract management policy and procedure manual by 30 June 2019	-	The contract management policy and procedure manual has been reviwed.	Achieved.	–	–
		Monitor the Implementation of contract management policy and procedure manual and update contract management register and submit it to council quarterly as part Section 52 (d) by 30 June 2019	-	Contracts have been entered into and signed in accordance with contract management policy and procedure manual.	Achieved	–	–



	law and order through enforcement of by-law by 30 June 2022	Gazette the reviewed 18 by-laws and by 30 June 2019	-	All the by laws have been reviewed and gazetted in gazett no.: 4259 of the 24 June 2019.	Achieved.	–	–
	Approved System of Delegations and standing rules and orders by 2022	Review the System of Delegations and Standing Rules and Orders at least once Annually	-	The System of Delegations and standing rules and orders have been reviewed and submitted to Council	Achieved.	-	-

#### RISK MANAGEMENT POLICY OBJECTIVES TAKEN FROM IDP

Strategic Focus Area	Outcomes Indicator (5 years)	Annual Target	Revised Annual Target	Actual Performance	Achieved/ Deviated	Reason for Deviation	Corrective Measure

Institutional Risk Management	guided risk management processes through approved risk management strategy, policy, risk register, risk profile and risk management charter by 30 June 2022	Review Risk management profile , risk management charter and risk management framework by 30 June 2019	-	1. The municipal Risk Management profile was reviewed. The following registers for the 2018/19 financial year are maintained: a) Strategic Risk Register b) Operational Risk Register c) Fraud Risk Register. 2. The RMC Charter and Risk Management Framework/Policy were approved by audit committee on the 22 Aug 2018 (Refer to CD for POE)	<b>Achieved</b>	–	–
	Mitigated fraud and corruption by 30 June 2022	Review fraud risk management policy, fraud risk management plan and whistle blowing policy by 30 April 2019	-	Reviewed Fraud Risk Management Policy, Fraud Risk Management Plan and Whistle Blowing Policy and presented in the Council policy workshop	<b>Achieved</b>	–	–
		Conduct two (2) anti fraud awareness campaigns by 30 June 2019		The two Ethics and Integrity Awareness campaigns was separately aimed for councillors and management but was conducted during Council policy workshop held on 27 June 2019 of which was attended by both	<b>Achieved</b>	–	–

				Councillors and Management			
	mitigate risk to desired risk rating (low) by 30 June 2021	Convene six (6) risk management committee meetings by 30 June 2019	-	Four risk management committee meeting were held as follows: 1. 21 August 2018 2.19 October 2018 3.19 March 2019 4. 10 June 2019	<b>Deviated</b>	The six meetings were four ordinary and two special meetings but there was no need special Risk committee meetings as anticipated	The target has been rectified in the 2019/20 financial year and a schedule of annual meetings for the 2019/20 financial year has been developed

Strategic Focus Area	Outcomes Indicator (5 years)	Annual Target	Revised Annual Target	Actual Performance	Achieved/ Deviated	Reason for Deviation	Corrective Measure
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Supply Chain Management	To implement and maintain a fair, equitable and cost effective supply chain management system	Quarterly Reports on implementation of the SCM policy and regulations to Council, PT and NT	-	4 quarterly Reports prepared on implementation of the SCM policy and regulations and submitted to Council: Signed Quarterly Reports on implementation of Supply Chain Management Policy has been submitted to Council as part of S52(d) report.	Achieved	-	-
		Update and review of contracts and commitments register by 30 June 2019	-	4 quarterly reports on update and review of the contracts and commitments register compiled and signed.	Achieved	-	-

		Develop Procurement plan and implement by 30 June 2019	-	Municipal Procurement Plans developed for 2018/19 and four( 4) quarterly reports on implementation of the procurement plan compiled and signed .	Achieved	—	—
		Reports on recording and reconciliation of inventory by 30 June 2019	-	4 quarterly reports on recording and reconciliation of inventory: Reconciliation of inventory to determine the stock on hand for disclosure in the annual financial statements has been done and will form part of the annual financial statements for submission to	Achieved	—	—

				Auditor General in August 2019.			
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### **T3.28.5 FINANCIAL PERFORMANCE 2018/19: PROPERTY; LEGAL; RISK MANAGEMENT AND PROCUREMENT SERVICES**

Budget included in finance and admin.

### **T3.28.6 CAPITAL EXPENDITURE 2018/19: PROPERTY; LEGAL; RISK MANAGEMENT AND PROCUREMENT SERVICES**

Budget included in finance and admin.

### **COMPONENT J: MISCELLANEOUS**

The component includes: the provision of airports, Abattoirs, Municipal Courts and Forestry as municipal enterprise. This section is not applicable to the municipality.

### **T3.30 COMPONENT K: ORGANIZATIONAL PERFORMANCE SCORECARD**

The performance information report in terms of section 46 of the Municipal systems Act is an annexure to the draft annual report.

## CHAPTER 4: ORGANIZATIONAL DEVELOPMENT PERFORMANCE (PERFORMANCE REPORT PART II)

### INTRODUCTION

The municipal organizational development process is aligned with the IDP formulation process and is guided by approved council process plan. In the year under review council approved the organizational structure taking into consideration the IDP objectives as articulated and adopted by council. The organizational structure is in line with the national Key Performance Areas and is commensurate with the municipal powers and functions. It is reviewed annually.

It is worth noting that the process of organizational development and review is guided by approved council policy.

### Presentation of the organizational structure

The municipality has the following departments:

Municipal Managers Office  
Infrastructure Department  
Community Services  
Planning & Development  
Budget and Treasury Office  
Corporate Services

The organogram has **337 including one unfunded** post of which **15** are vacant posts, all key senior position are filled

## COMPONENT A: INTRODUCTION TO THE MUNICIPAL PERSONNEL

### 4.1 EMPLOYEE TOTALS, TURNOVER AND VACANCIES

#### T4.1.1 EMPLOYEE TOTALS, TURNOVER AND VACANCIES

Description	Year -1 FY 17/18				
	Employee No.	Approved Posts No.	Vacancies No.		Vacancies %
Water	0	0	0	0	0%
Waste water(Sanitation)	0	0	0	0	0%
Electricity	3	3	3	0	0%
Waste Mngt (GA's, Supervisor, Team leader, Driver, Caretaker)	49	56	50	6	13%
Housing	5	5	5	0	0%
Waste Water(Storm water drainage)	0	0	0	0	0
Roads	27	33	27	6	18%
Transport	7	8	8	0	0%
Planning (IDP, SM, Spatial,	7	7	7	0	0%
Local Economic Development	6	6	6	0	0%
Planning(Strategic and Regulatory) (MM)	39	42	42	0	0%



Community and (Library,Sec,Managers,Offi	7	7	7	0	0%
Environmental Protection	3	3	3	0	0%
Health	1	1	1	0	0%
Security and Safety ( <b>Public Safety</b> )	81	85	83	2	5%
Sport and Recreation (SPU)	2	2	2	0	0%
Corporate Policy Office and other	76	78	78	0	%
<b>Total</b>	<b>313</b>	<b>336</b>	<b>321</b>	<b>15</b>	<b>4%</b>

*\*Vacancy %= Number of vacant post divided by Total number of approved posts*

#### T4.1.2 Vacancy rate

Vacancy Rate Year: 0 FY 18/19			
Designation	Total Approved Post No	Vacancies (Total time that vacancies exist using fulltime equivalents)	Vacancies % (as a proportion of total posts in each category)
Municipal Manager	1	0	0%
CFO	1	0	0%
Other S57 Managers(Excluding finance posts)	5	0	0%
Other S57 Managers( finance posts)	0	0	0%
Police Officers	0	0	0%
Firefighters	0	0	0%
Senior Management Levels13-15 ( <b>Task Grade 16</b> ) Excluding Finance Posts	15	0	0%
Senior Management Levels 13-15( <b>Task Grade 14-16</b> ) (Finance Posts)	4	0	0%
Highly Skilled supervision Levels 9- 12( <b>Task Grade 9-11</b> ) ( Excluding Finance Posts)	39	1	0,39%
Highly Skilled supervision Levels 9- 12( <b>Task Grade 9-11</b> ) ( Finance Posts)	8	0	0%
<b>TOTAL</b>	<b>73</b>	<b>1</b>	<b>0,73%</b>

#### T4.1.3

Turn Over -Rate			
Details	Total appointments as of the beginning of	Terminations during the Financial Year	Turn Over Rate
Year -2 FY	32	7	2,24%
Year -1 FY	22	13	2,86%
Year -0 FY	18	5	0,9%
<b>TOTALS</b>	72	25	18%

#### T4.1.4: COMMENTS ON VACANCIES AND TURNOVER

The turnover rate has increased compared from 22% in 2017/18 financial year to 59% in the year under review.

### COMPONENT B: MANAGING MUNICIPAL WORKFORCE

#### T4.2.0 INTRODUCTION TO MUNICIPAL WORKFORCE

#### 4.2. POLICIES

##### T4.2.1

The following policies were reviewed and adopted by Council June 2018

HR POLICIES AND PLANS				
No	Name of Policy	Completed %	Reviewed %	Date adopted by Council or comment on failure to adopt
1.	HRD	100%	100%	June 2018
2.	Induction	100%	100%	June 2018
3.	Recruitment & Selection	100%	100%	June 2018
4.	Placement	100%	100%	June 2018
5.	HIV /AIDS	100%	100%	June 2018
6.	Cellphone	100%	100%	June 2018
7.	Transport	100%	100%	June 2018
8.	Employee Health & Wellness	100%	100%	June 2018
9.	Records Management	100%	100%	June 2018
10.	Employment Equity	100%	100%	June 2018
11.	Bursary and Other forms of Financial Ass.	100%	100%	June 2018
12.	Personnel Regulations	100%	100%	June 2018
13.	Overtime	100%	100%	June 2018
14.	Sexual Harassment	100%	100%	June 2018
15.	Leave	100%	100%	June 2018

16.	Staff Retention	100%	100%	June 2018
17.	Disciplinary and Grievance Procedure	100%	100%	June 2018
18.	Strike Management	100%	100%	June 2018
19.	Incapacity Due to Ill health	100%	100%	June 2018
20.	Incapacity due to poor performance	100%	100%	June 2018
21.	Performance Management	100%	100%	June 2018
22.	Customer Care	100%	100%	June 2018
23.	Incapacity due to Operational	100%	100%	June 2018
24.	Inclement Weather Policy	100%	100%	June 2018
25.	Dress Code Policy	100%	100%	June 2018
26.	Smoking Policy	100%	100%	June 2018
27.	Policy on Organizational Establishment	100%	100%	June 2018
28.	Policy Development Guidelines	100%	100%	June 2018
29.	Sport & Recreation Policy	100%	100%	June 2018
30.	Internship Policy	100%	100%	June 2018
31.	Scarce Skills Policy	100%	100%	June 2018
32.	Private Work & Declaration of	100%	100%	June 2018
33.	Whistle Blowing Policy	100%	100%	June 2018
34.	Policy on Alcohol & Substance	100%	100%	June 2018
35.	Employee Retention	100%	100%	June 2018
36.	Secession Planning Policy	100%	100%	June 2018
37.	Probation Policy	100%	100%	June 2018
38.	Relocation Policy	100%	100%	June 2018
39.	Termination of Services Policy	100%	100%	June 2018
40.	Work Attendance policy	100%	100%	June 2018
41.	Job Evaluation Policy	100%	100%	June 2018
42.	S & T Policy	100%	100%	June 2018
	Employment Equity Plan	100%	-	June 2018
	Workplace Skills Plan	100%	100%	June 2018
	Human Resource Plan	100%		June 2018

#### T4.2.1.1 COMMENT ON WORKFORCE POLICY DEVELOPMENT

The Municipality reviews policies annually and maintains constant induction.

## 4.2 INJURIES, SICKNESSES AND SUSPENSIONS

### 4.3. 1. INJURIES, SICKNESSES AND SUSPENSIONS

NUMBER AND COST OF INJURIES ON DUTY					T.4.3.1	
Type of Injury	Injury Leave Taken	Employees using Injury Leave	Proportion employees injury sick leave %	Average Injury Leave per Employee Day	Total Estimated Cost	
None	23	1	1	0,04	1, 045 .54	
NUMBER OF DAYS AND COST OF SICK LEAVE (EXCLUDING INJURIES ON DUTY) T.4.3.2						
Salary Band	Total Sick Leave	Proportions of Sick Leave without medical certification %	Employees using sick leave no.	Total employees in post no.	Average sick leave per employee days	Estimated cost R'000
TASK Grade 3-4	491	6%	42	76	6,5	22,318.18
TASK Grade 5-6	740	0%	52	54	13,7	33,636.36
TASK Grade 7- 8	1872	3%	97	110	17,0	85,090.91
TASK Grade 10-11	926	2%	49	55	16,8	42,090.91
TASK Grade 14-16	296	0%	16	19	15,6	13,454.55
TASK Grade 20-25	37	.0%	3	7	5,3	1,6800
TOTALS	4335	0.11	259	321	74,9	198,270.91

#### T4.3.3: AVERAGE NUMBER OF DAYS SICK LEAVE

The average number of sick leave days is 7.5% a month.

#### T4.3.4: COMMENTS ON INJURY AND SICK LEAVE

The injury on duty has drastically reduced due to functionality of the Occupational Health and Safety Committee

#### T.4.3.5: NUMBER AND PERIOD OF SUSPESIONS

		Number and Period of Suspension			T.4.3.5
Position	Nature of Alleged Misconduct and Rand value of any loss to the municipality	Date of Suspension	Disciplinary Action Taken	Details of Disciplinary Action taken or Status of Case and	Date Finalized
1. Licensing Examiner	1. Fraud & Corruption 2. Gross Dishonesty 3. Bringing the name of the Municipality into Dispute	15 August 2017	Yes	Dismissal finalized	29 October 2018
2. Security Guard	1. Gross Dishonesty 2. Bringing the name of the Municipality into Dispute	15 February 2019	Yes	Dismissal finalized	12 April 2019

#### T4.3.6: DISCIPLINARY ACTIONS TAKEN ON CASES OF FINANCIAL MISCONDUCT

Council has established Financial Misconduct Disciplinary Board to look into cases of financial misconduct. There were no financial misconduct cases in year review.

#### T4.3.7: COMMENTS ON SUSPENSIONS AND CASES OF MISCONDUCT

The municipality is steadily reducing the suspensions. We strive to build an ethical administration

### 4.3 PERFORMANCE REWARDS

#### T4.4.1

Performance Rewards by Gender					
Designations	Beneficiary Profile				
	Gender	Total number Of employees in group	Number of beneficiaries	Expenditure On rewards :2017/18	Proportion of Beneficiaries within group %
Lowest killed (TG1-2)	Female	0	0	0	0%
	Male	0	0	0	0%
Skilled(TG3-5)	Female	38	0	0	0%
	Male	92		0	0%
Highly skilled production(TG6-8)	Female	54	0	0	0%
	Male	58	0	0	0%
Highly skilled supervision(TG9-12)	Female	22	0	0	0%
	Male	33	0	0	0%
Senior management(TG13-16)	Female	5	0	0	0%
	Male	12	0	0	0%
MM and S56	Female	2	0	0	0%
	Male	5	1	52807,87	14,2%
Total		321	1	52807,87	0,3%
Has the statutory municipal calculator been used as part of the evaluation Process?					Yes /No

To be updated

#### T4.4.1.1. COMMENTS ON PERFORMANCE REWARDS

In the year under the Municipal Manager and s56 Managers signed performance agreements which were submitted to Council. Council appointed Assessment Panel which conducted the assessment on the 24-25 June 2019 based on the approved Annual Report 2017/18. Subsequently, the report was tabled by the Audit Committee to the Council in which it outlined the awarding process and procedure. The report was approved by the Council and out of 5 Senior manager including the Municipal Manager who were assessed, only 1 Senior manager qualified for a performance bonus reward.

## COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE

### T4.5.0 INTRODUCTION TO WORKFORCE CAPACITY DEVELOPMENT

#### 4.4 SKILLS DEVELOPMENT AND TRAINING

##### T4.5.1 SKILLS DEVELOPMENT AND TRAINING MATRIX

Skills Matrix														
Management Level	Gender	Employee s in post as at 30 June 2019	Number of skilled employees required and actual as at 30 June 2019											
			Learnerships			Skills programmes & other short courses			Other forms of training			Total		
		No.	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	2019/20 Target
MM and 56	Female	2	0	0	0	0	0	0	0	0	0	0	0	0
	Male	4	1	0	0	0	0	0	0	0	0	1	0	6
Cllrs, Senior officials and managers	Female	32	4	0	0	4	0	0	0	0	0	8	0	5
	Male	50	5	0	0	7	0	0	0	0	0	12	0	0
Technicians associate professionals	Female	2	0	0	0	0	0	0	0	0	0	0	0	2
	Male	4	0	0	0	0	0	0	0	0	0	0	0	3
Professionals	Female	25	2	0	0	15	0	0	0	0	0	17	0	10
	Male	30	2	0	0	26	0	0	0	0	0	38	0	8
Sub total	Female	61	6	0	0	19	0	0	0	0	0	25	0	17
	Male	88	8	0	0	33	0	0	0	0	0	51	0	14
Total		149	14	0	0	52	0	0	0	0	0	76	0	34

## FINANCIAL COMPETENCY DEVELOPMENT PROGRESS REPORT

Financial Competency Development :Progress Report						
Description	A. Total number of employed by the Municipalit y (Regulation	B. Total number of employed by the Municipal Entities (Regulations 14(4)	Consolidate d Total of A & B	Consolidated : Competency Assessmen t Completed for A & B(Regulatio	Consolidat ed: Total number of officials whose performance agreements comply with Regulations 16 (Regulation	Consolidat ed: Total number of officials that meet prescribed competency levels Regulations 16 (Regulation
<b>Financial Officials</b>						
Accounting officer	1	0	1	1	1	1
Chief Financial Officer	1	0	1	1	1	1
Senior Managers	5	0	5	5	5	5
Any other Financial Officials	7	0	7	7	0	7
<b>Supply chain Management</b>						
Heads of supply chain management	0	0	0	0	0	0
Supply chain management senior management	1	0	1	1	0	1
<b>TOTAL</b>	<b>15</b>	<b>0</b>	<b>15</b>	<b>15</b>	<b>7</b>	<b>15</b>
This is a statutory report under the National Treasury :Local Government :MFMA Competency Regulation (June 2007) In compliance with National Treasury Local						

### Senior Management

MUNICIPALITY	NAME	DESIGNATION	STATUS
	G.N. Cekwana	Planning & Dev.	Completed
	S. Mvunelo	Corporate Services	Completed
	Z.Masumpa	Community Services	Completed
	N.Nomandela	Municipal Manager	Completed
<b>Nyandeni LM</b>	S.V.Poswa	Operations Manager	Completed
	B.K.Benxa	Chief Financial Officer	Completed
	Q.F.Q Madikida	Senior Manager Infrastructure	Completed

NAME	DESIGNATION	STATUS
T.Tshisa Ndamase	Human Resource Manager	Not yet complete
B.Nggongwa	LED Manager	Completed
L.Magayana	Internal Audit Manager	Completed
G.Nomqonde	Legal Services Manager	Completed
Z.Z.Madyibi	Supply Chain Management Manager	Completed
F.Mgwedane	Human Settlement Manager	Completed
M.Mvanyashe	Chief Law Enforcement	Not yet complete
A.Zituta	Manager Spatial Planning	Not yet complete
B.B.Nodada	ICT and Admin Manager	Not yet completed
J.Yengane	PMU Manager	
T.C.M Matikita	Maintenance Manager	Completed
M.Mhlifili	Budget Management Manager	Completed

#### **T4.5.4 COMMENTS ON SKILLS DEVELOPMENT AND RELATED EXPENDITURE AND ON THE FINANCIAL COMPETENCY REGULATIONS**

All key personnel have complied with Municipal Finance Management Act Regulations on Competency Levels.

#### **COMPONENT D: MANAGING THE WORKFORCE EXPENDITURE**

##### **T4.6.0 INTRODUCTION TO WORKFORCE EXPENDITURE**

The expenditure for skills development is sources from the equitable share and some received from the services SET

##### **T4.6.1 WORKFORCE EXPENDITURE TRENDS**

###### **T4.6.1.1 COMMENT ON WORKFORCE EXPENDITURE**

There is an increase of personnel expenditure due to annual increments and review of organogram for service delivery requirements.

###### **T4.6.2 Number of employees whose salaries were increased due to their positions being upgraded**

Not applicable

###### **T4.6.3 EMPLOYEES WHOSE SALARY LEVELS EXCEEDED THE GRADE DETERMINED BY JOB EVALUATION**

Not applicable

###### **T4.6.4 EMPLOYEES APPOINTED TO POSTS NOT APPROVED**

Not applicable

###### **T4.6.5 COMMENT ON UPRDED POSTS AND THOSE THAT AT VARIANCE WITH NORMAL PRACTICE**

Not applicable

###### **T4.6.6 DISCLOSURES OF FINANCIAL INTERESTS**

All Councilors and Officials have signed disclosure forms concerning financial interest and Code Conduct.



## **CHAPTER 5: FINANCIAL PERFORMANCE INTRODUCTION**

### **T5.0.1**

This chapter contains information regarding financial performance and highlights specific accomplishments. It comprises of three components:

#### **Component A: Statement of Financial Performance**

#### **Component B: Spending Against Capital Budget**

#### **Component C: cash-flow**

### **COMPONENT A: STATEMENTS OF FINANCIAL PERFORMANCE INTRODUCTION TO FINANCIAL STATEMENTS: T.5.1.0**

#### **1.1. STATEMENT OF FINANCIAL PERFORMANCE:**

The Municipality has more assets than liabilities, meaning that the Municipality can continue to pay for its creditors.

#### **T5.1.1. STATEMENT OF FINANCIAL PERFORMANCE:**



## T5.1.2 FINANCIAL PERFORMANCE OF OPERATIONAL SERVICES

Financial Performance of Operational Services						
R '000						
Description	2018	2019			Year 2019 Variance	
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget
<b>Operating Cost</b>						
Water	–	–	–	–		
Waste Water (Sanitation)	–	–	–	–		
Electricity	15 092	20 945	30 421	16 864	-24,20%	-80,39%
Waste Management	13 331	11 297	7 329	13 331	15,25%	45,02%
Housing	3 132	4 648	4 648	3 132	-48,43%	-48,43%
Component A: sub-total	31 555	36 891	42 398	33 327	-10,69%	-27,22%
Waste Water (Stormwater Drainage)	–	–	–	–		
Roads	42 831	40 242	45 947	42 831	6,04%	-7,27%
Transport	–	–	–	–		
Component B: sub-total	42 831	40 242	45 947	42 831	6,04%	-7,27%
Planning	–	–	–	–		
Local Economic Development	16 998	19 427	17 722	16 998	-14,29%	-4,26%
Component B: sub-total	16 998	19 427	17 722	16 998	-14,29%	-4,26%
Planning (Strategic & Regulatory)	–	–	–	–		
Local Economic Development	–	19 427	17 722	–	#DIV/0!	#DIV/0!
Component C: sub-total	–	19 427	17 722	–	#DIV/0!	#DIV/0!
Community & Social Services	9 228	14 381	10 188	9 228	-55,85%	-10,40%
Environmental Protection	–	–	–	–		
Health	446	629	629	446		
Security and Safety	1 827	2 794	2 794	1 827	-52,94%	-52,94%
Sport and Recreation	–	–	–	–		
Corporate Policy Offices and Other	–	–	–	–		
Component D: sub-total	11 500	17 804	13 610	11 500	-54,81%	-18,35%
<b>Total Expenditure</b>	<b>102 884</b>	<b>133 791</b>	<b>137 400</b>	<b>104 656</b>	<b>-27,84%</b>	<b>-31,29%</b>
In this table operational income is offset against operational expenditure leaving a net operational expenditure total for each service as shown in the individual net service expenditure tables in chapter 3. Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual.						T 5.1.2

## T5.1.3 COMMENT ON FINANCIAL PERFORMANCE

The Municipality continues to provide services to the community as per constitutional mandate.

## T5.2.1 GRANTS

Grant Performance						
R' 000						
Description	2018	2019			Year 2019 Variance	
	Actual	Budget	Adjustments Budget	Actual	Original Budget (%)	Adjustments Budget (%)
<b>Operating Transfers and Grants</b>						
<b>National Government:</b>	<b>241 239</b>	<b>258 723</b>	<b>242 302</b>	<b>239 321</b>		
Equitable share	223 248	234 532	218 111	218 111	7%	0%
Municipal Systems Improvement	-	-	-	-		
Department of Water Affairs	-	-	-	-		
Levy replacement	-	-	-	-		
FMG	1 700	1 700	1 700	1 700	0%	0%
INEP electrification grant	15 000	18 189	18 189	18 189	0%	0%
Expanded Public Works Programme -EPWP	1 291	1 321	1 321	1 321	0%	0%
MIG Operational	-	2 981	2 981	-	100%	100%
<b>Provincial Government:</b>	<b>400</b>	<b>400</b>	<b>650</b>	<b>650</b>	<b>(0)</b>	<b>-</b>
Health subsidy	-	-	-	-		
Housing	-	-	-	-		
Ambulance subsidy	-	-	-	-		
Sports and Recreation	400	400	650	650	-63%	0%
CoGTA (Local Elections)	-	-	-	-		
<b>District Municipality:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
OR Tambo						
<b>Other grant providers:</b>	<b>8 190</b>	<b>400</b>	<b>400</b>	<b>348</b>		
DEDEAT	5 973	-	-	111	0%	0%
LG SETA	-	400	400	237	41%	41%
DEDEAT-Ngqeleni Transfer station	217	-	-	-	0%	0%
Department of Public Works -SIDEWALKS	2 000	-	-	-	0%	0%
<b>Total Operating Transfers and Grants</b>	<b>249 829</b>	<b>259 523</b>	<b>243 352</b>	<b>240 319</b>		
Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual. Full list of provincial and national grants available from published gazettes.						T 5.2.1

## T5.2.2 COMMENT ON OPERATING TRANSFERS AND GRANTS (Appendix L)

The municipality has recorded 100% expenditure in all grants

## T5.2.3 GRANTS RECEIVED OTHER DORA

Grants Received From Sources Other Than Division of Revenue Act (DoRA)						
Details of Donor	Actual Grant Year 2018	Actual Grant Year 2019	Year 2019 Municipal Contribution	Date Grant terminates	Date Municipal contribution terminates	Nature and benefit from the grant received, include description of any contributions in kind
<b>Parastatals</b>						
A - "Project 1"						
A - "Project 2"						
B - "Project 1"						
B - "Project 2"						
<b>Foreign Governments/Development Aid Agencies</b>						
A - "Project 1"						
A - "Project 2"						
B - "Project 1"						
B - "Project 2"						

<b>Private Sector / Organisations</b>						
A - "Project 1 - LG SETA"	220 838	237 196	-	N/A	N/A	Grant is provided to train unemployed and employed.
B - "Project 1"						
B - "Project 2"						
Provide a comprehensive response to this schedule						T 5.2.3

## T5.2.4: COMMENT ON CONDITIONAL GRANTS AND GRANTS RECEIVED FROM OTHER SOURCES

The municipality collaboration with National Treasury will pursue other Grants to fund development priorities

## 5.3 1. ASSET MANAGEMENT

### INTRODUCTION TO ASSET MANAGEMENT: T5.3.1

The Asset management policy in the year under review was reviewed and adopted by council. A GRAP compliant asset register was compiled. In the 2018/19 Financial Year, the Asset Register was updated on a quarterly basis. The increase in the Municipal Assets is predominantly as a result of the Infrastructure Assets.i.e. Roads that have been constructed and fully recognised as completed, as well as the work in progress roads.

### T5.3.2 TREATMENT OF THE 3 LARGEST ASSET ACQUIRED IN 2018/19

3.0.2 TREATMENT OF THE 3 LARGEST ASSETS ACQUIRED IN 2016/15

TREATMENT OF THE THREE LARGEST ASSETS ACQUIRED YEAR 0				
Asset 1				
Name				
Description				
Asset Type				
Key Staff Involved				
Staff Responsibilities				
Asset Value	Year -3	Year -2	Year -1	Year 0
Capital Implications				
Future Purpose of Asset				
Describe Key Issues				
Policies in Place to Manage Asset				
Asset 2				
Name				
Description				
Asset Type				
Key Staff Involved				
Staff Responsibilities				
Asset Value	Year -3	Year -2	Year -1	Year 0
Capital Implications				
Future Purpose of Asset				
Describe Key Issues				
Policies in Place to Manage Asset				
Asset 3				
Name				
Description				
Asset Type				

Key Staff Involved				
Staff Responsibilities				
Asset Value	Year -3	Year -2	Year -1	Year 0
Capital Implications				
Future Purpose of Asset				
Describe Key Issues				
Policies in Place to Manage Asset				
T 5.3.2				

## FIXED ASSET REGISTER SUMMARY SPLIT AS AT 30 JUNE 2018

To be updated in the final report

### T5.3.3. COMMENT ON ASSET MANAGEMENT

Asset register is updated annually. Infrastructure assets dominate the municipality.

### REPAIRS AND MANTAINANCE EXPENDITURE: T5.3.4

Repair and Maintenance Expenditure: Year 2019				
R' 000				
	Original Budget	Adjustment Budget	Actual	Budget variance
Repairs and Maintenance Expenditure	12 138	18 387	10 697	12%
T 5.3.4				

### T5.3.4.1 COMMENT ON REPAIRS AND MAINTENACE EXPENDITURE

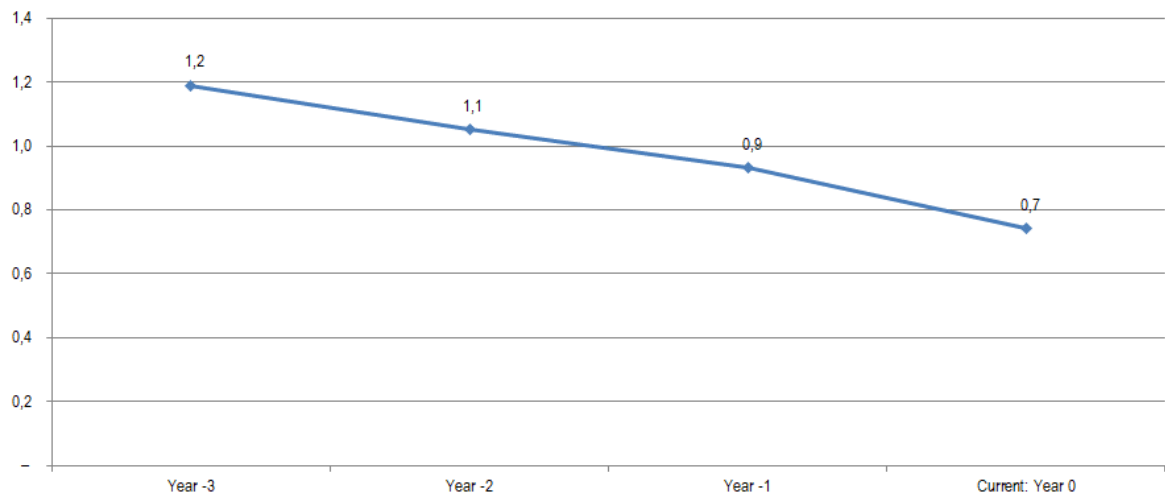
Most of the rehabilitation projects were capitalized due to the nature of work. The budget for repairs and maintenance was not sufficient to cover all repairs and maintenance.

## 1.4 FINANCIAL RATIOS BASED ON KEY PERFROMANCE INDICATORS

Financial Ratios to be updated with final audited AFS

### T5.4.1 LIQUIDITY RATIO

### Liquidity Ratio

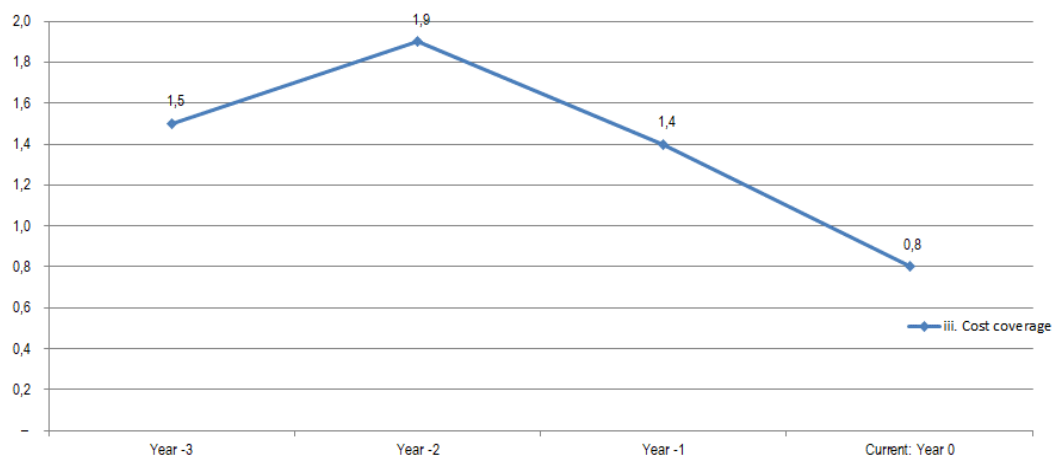


Liquidity Ratio – Measures the municipality's ability to pay its bills and is calculated by dividing the monetary assets (due within one year ) by the municipality's current liabilities. A higher ratio is better.

Data used from MBRR SA8

### T5.4.2 COST COVERAGE

#### Cost Coverage

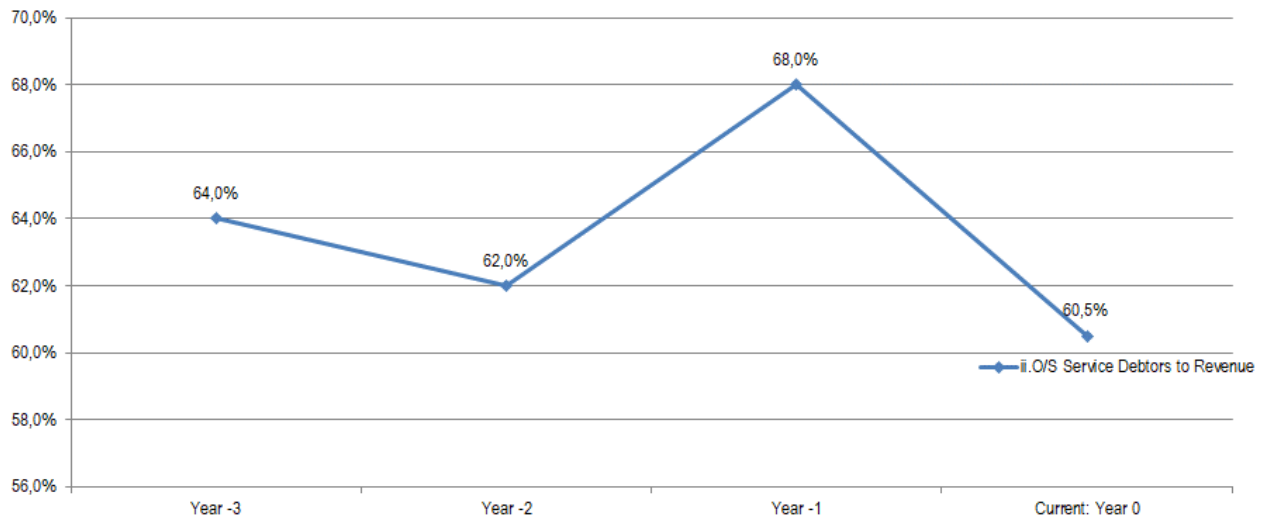


Cost Coverage– It explains how many months expenditure can be covered by the cash and other liquid assets available to the Municipality excluding utilisation of grants and is calculated

Data used from MBRR SA8

### T5.4.3 TOTAL OUTSTANDING DEBTORS

#### Total Outstanding Service Debtors

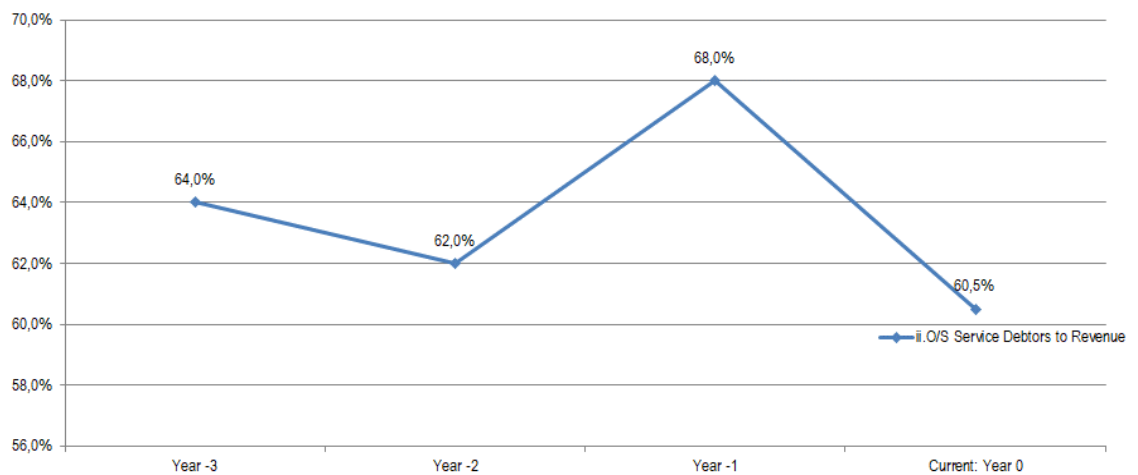


Total Outstanding Service Debtors – Measures how much money is still owed by the community for water, electricity, waste removal and sanitation compared to how much money has been paid for these services. It is calculated by dividing the total outstanding debtors by the total annual revenue. A lower score is better.

Data used from MBRR SA8

### T5.4.4. DEBT COVERAGE

#### Total Outstanding Service Debtors

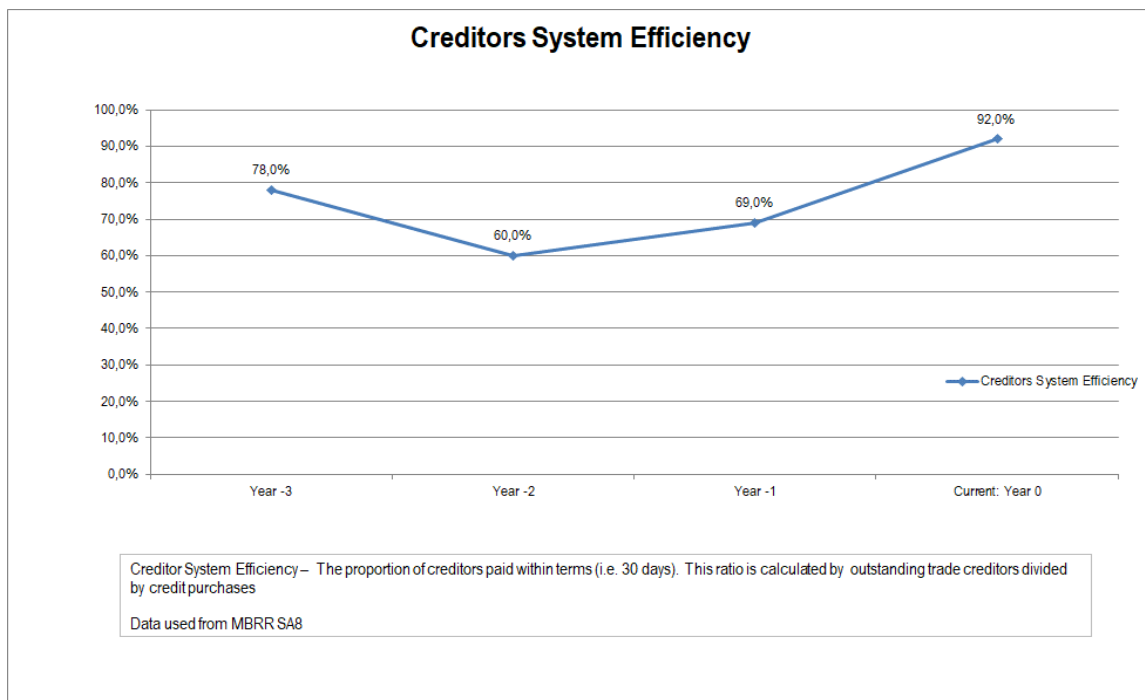


Total Outstanding Service Debtors – Measures how much money is still owed by the community for water, electricity, waste removal and sanitation compared to how much money has been paid for these services. It is calculated by dividing the total outstanding debtors by the total annual revenue. A lower score is better.

Data used from MBRR SA8



#### T5.4.5 CREDITORS SYSTEM EFFICIENCY



#### T5.4.6 CAPITAL CHARGES TO OPERATING EXPENDITURE

Financial Ratios to be updated with final audited AFS

#### T5.4.7 EMPLOYEE COST

To be updated with final audited AFS

#### T5.4.8 REPAIRS AND MAINTENANCE

To be updated with final audited AFS

#### T5.4.9 COMMENT ON FINANCIAL RATIOS

Generally the municipality is in a good financial health. The municipality's assets are more than liabilities. We currently have cashed backed bank balance that can cover debtors.

#### COMPONENT D: SPENDING AGAINST CAPITAL BUDGET

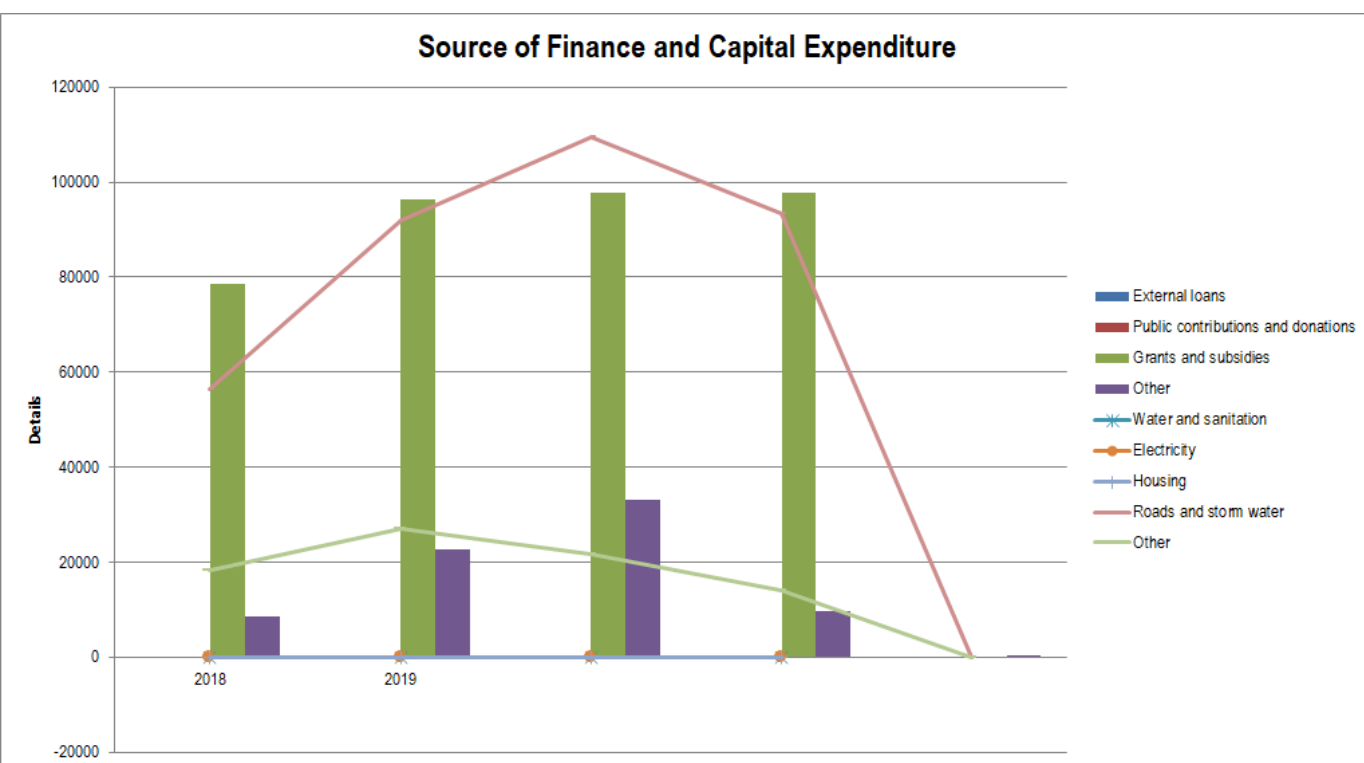
##### T5.5.0 INTRODUCTION

##### T5.6 SOURCES OF FINANCE

## T5.6.1 CAPITAL EXPENDITURE-FUNDING SOURCES: YEAR 2018/19 TO 2019/20

Capital Expenditure - Funding Sources: Year 2018 to Year 2019						
R' 000						
Details	2018	2019				
	Actual	Original Budget (OB)	Adjustment Budget	Actual	Adjustment to OB Variance (%)	Actual to OB Variance (%)
<b>Source of finance</b>						
External loans	0	0	0	0		
Public contributions and donations	0	0	0	0		
Grants and subsidies	78646	96269	97806	97806	1,60%	1,60%
Other	8437	22700	33233	9629	46,40%	-57,58%
<b>Total</b>	<b>87083</b>	<b>118969</b>	<b>131039</b>	<b>107435</b>	<b>48,00%</b>	<b>-55,98%</b>
<b>Percentage of finance</b>						
External loans	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
Public contributions and donations	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
Grants and subsidies	70,9%	80,9%	74,6%	91,0%	3,3%	-2,9%
Other	29,1%	19,1%	25,4%	9,0%	96,7%	102,9%
<b>Capital expenditure</b>						
Water and sanitation	0	0	0	0		
Electricity	0	0	0	0		
Housing	0	0	0	0		
Roads and storm water	56532	91854	109390	93290	19,09%	1,56%
Other	18231	27115	21649	14145	-20,16%	-47,83%
<b>Total</b>	<b>74763</b>	<b>118969</b>	<b>131039</b>	<b>107435</b>	<b>-1,07%</b>	<b>-46,27%</b>
<b>Percentage of expenditure</b>						
Water and sanitation	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
Electricity	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
Housing	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
Roads and storm water	76,9%	77,2%	83,5%	86,8%	-1788,5%	-3,4%
Other	23,1%	22,8%	16,5%	13,2%	1888,5%	103,4%
T 5.6.1						

## T5.6.1 CAPITAL EXPENDITURE



#### T5.6.1.1 COMMENT ON SOURCES OF FUNDING

The municipality is dependent more on grants and subsidies and less on other subsidies.

#### T5.7.1 CAPITAL EXPENDITURE ON 5 LARGEST PROJECTS

The main projects are made of Municipal infrastructure Grant, Small Towns Revitalization, Acquisition of maintenance plant and rehabilitation of access roads.

Capital Expenditure of 5 largest projects*						R' 000
Name of Project	Current: Year 0			Variance: Current Year 0		
	Original Budget	Adjustment Budget	Actual Expenditure	Original Variance (%)	Adjustment variance (%)	
Road Construction	73 797	57 721	45 733	38%	22%	
Building	5 000	5 818	3 735	25%	-16%	
Landfill Site	16 515	8 383	6 780	59%	49%	
Transport Hub	5 957	30 489	26 072	-338%	-412%	
Plant and Equipment	4 000	8 110	4 841	-21%	-103%	
Road renewal	8 000	11 654	11 159	-39%	-46%	
* Projects with the highest capital expenditure in Year 0						
Name of Project - A						
Objective of Project						
Delays						
Future Challenges						
Anticipated citizen benefits						
Name of Project - B						
Objective of Project						
Delays						
Future Challenges						
Anticipated citizen benefits						
Name of Project - C						
Objective of Project						
Delays						
Future Challenges						
Anticipated citizen benefits						
Name of Project - D						
Objective of Project						

Delays	
Future Challenges	
Anticipated citizen benefits	
<b>Name of Project - E</b>	
Objective of Project	
Delays	
Future Challenges	
Anticipated citizen benefits	
T 5.7.1	

#### T5.7.1.1. COMMENT ON CAPITAL PROJECT

### 5.8 BASIC SERVICE AND INFRASTRUCTURE OVERVIEW

There is still backlog in upgrading and maintenance of T-Roads which is a responsibility of the Department of Roads Transport.

#### T5.8.2 SERVICE BACKLOG AS AT 30 JUNE 2019

In spite of the progress made in delivering basic services, backlogs in infrastructure development persist.

#### T5.8.3 MUNICIPAL INFRASTRUCTURE GRANT EXPENDITURE 2018-19 ON SERVICE BACKLOGS To be updated

## T.5.9 CASH FLOW

### T5.9.1 CASH FLOW OUTCOMES

Cash Flow Outcomes				
R'000				
Description	2018	Current: 2019		
	Audited Outcome	Original Budget	Adjusted Budget	Actual
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>				
<b>Receipts</b>				
Ratepayers and other	10 920	79 558	–	19 354
Government - operating	275 144	247 723	–	223 787
Government - capital	78 646	94 813	–	108 346
Interest	12 519	5 978	–	14 585
Dividends	–	–	–	–
<b>Payments</b>				
Suppliers and employees	(240 582)	(263 957)	(267 790)	(251 822)
Finance charges	(130)	(117)	–	–
Transfers and Grants		(5 792)	(1 989)	–
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>	<b>136 517</b>	<b>158 206</b>	<b>(269 779)</b>	<b>114 250</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
<b>Receipts</b>				
Proceeds on disposal of PPE	207	–	–	140
Decrease (Increase) in non-current debtors	–	–	–	–
Decrease (increase) other non-current receivables	–	–	–	–
Decrease (increase) in current investments	–	–	–	–
<b>Payments</b>				
Capital assets	(82 247)	(113 391)	–	(100 201)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>	<b>(82 040)</b>	<b>(113 391)</b>	<b>–</b>	<b>(100 061)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
<b>Receipts</b>				
Short term loans	–	–	–	–
Borrowing long term/refinancing	–	–	–	–
Increase (decrease) in consumer deposits	(4 212)	–	–	(6 506)
<b>Payments</b>				
Repayment of borrowing	(176)	–	–	(446)
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>	<b>(4 388)</b>	<b>–</b>	<b>–</b>	<b>(6 952)</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>	<b>50 089</b>	<b>44 815</b>	<b>(269 779)</b>	<b>7 237</b>
Cash/cash equivalents at the year begin:	134 320	101 947	–	184 409
Cash/cash equivalents at the year end:	184 409	146 761	(269 779)	191 645
Source: MBRR A7				T 5.9.1

#### T5.9.1.1 COMMENT ON CASH FLOW OUTCOMES

The municipality has favorable cash flow position.

## T5.10 BORROWING AND INVESTMENT

Not applicable (the municipality did not have borrowing in the year under review)

### T5.10.1 INTRODUCTION TO BORROWING AND INVESTMENTS

The municipality has no borrowings but do have short term call accounts.

#### T5.10.2 ACTUAL BORROWINGS 2018/19

Not applicable

#### T5.10.3 ACTUAL BORROWING GRAPHS

Not applicable

#### T5.10.4 MUNICIPAL INVESTMENTS

Municipal and Entity Investments			
	R' 000		
Investment* type	2017	2018	2019
	Actual	Actual	Actual
<b><u>Municipality</u></b>			
Securities - National Government			
Listed Corporate Bonds			
Deposits - Bank	91 486	150 303	159 855
Deposits - Public Investment Commissioners			
Deposits - Corporation for Public Deposits			
Bankers Acceptance Certificates			
Negotiable Certificates of Deposit - Banks			
Guaranteed Endowment Policies (sinking)			
Repurchase Agreements - Banks			
Municipal Bonds			
Other			
<b>Municipality sub-total</b>	<b>91 486</b>	<b>150 303</b>	<b>159 855</b>
<b><u>Municipal Entities</u></b>			
Securities - National Government			
Listed Corporate Bonds			
Deposits - Bank			
Deposits - Public Investment Commissioners			
Deposits - Corporation for Public Deposits			
Bankers Acceptance Certificates			
Negotiable Certificates of Deposit - Banks			
Guaranteed Endowment Policies (sinking)			
Repurchase Agreements - Banks			
Other			
<b>Entities sub-total</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Consolidated total:</b>	<b>91 486</b>	<b>150 303</b>	<b>159 855</b>
			<b>T 5.10.4</b>

#### T5.10.5 COMMENT ON BORROWING AND INVESTMENTS

The municipality has a positive balance.

#### 5.11 PUBLIC PRIVATE PARTNERSHIPS

No public private partnership has been entered into in the year under review

#### T.5.12. 1 SUPPLY CHAIN MANAGEMENT

The Municipality reviewed and approved the Supply Chain Management (SCM) Policy on the 30th May 2019 aimed at assisting service delivery in a cost effective manner. The Supply Chain Management Unit has been fully established, all posts in the SCM are filled. Training of Bid Committees and SCM officials has been conducted. SCM related issues raised by the Auditor General's report of 2017/2018 are being addressed.



# AWARDS 2018/19

The following bids were awarded in accordance with the Supply Chain Management Policy and Regulations

ABOVE R200 000

BID NO	DESCRIPTION	AWARDED TO	APP. DATE	AMOUNT	BBBEE
BID 27/2018	Professional Services for the Development of Infrastructure Investment Plan	ZNM Consulting Engineers (PTY)LTD	28-Sep-18	R 320 146.20	1
BID 28/2018	Multi Discipline (Build Environment) Panel of consultants for a period of 3 years	Kaazi Enginnering Group (PTY)LTD	28-Sep-18	-	1
	Multi Discipline (Build Environment) Panel of consultants for a period of 3 years	Adark (PTY)LTD	28-Sep-18	-	2
	Multi Discipline (Build Environment) Panel of consultants for a period of 3 years	Uphuhliso Nohlumo (PTY)LTD	28-Sep-18	-	1
BID 29/2018	Electrification of Ngqeleni Phase 3 (70HH): EGOLI	Hamsa Consulting Engineering	28-Sep 18	3 643 072.93	1
BID 33/2018	Construction of Didi to Ntlaza Access Road	MVY Civils	05-Nov-18	R 3 147 869.01	1
BID 32/2018	Construction of Chizela to Moyeni Access Road	Khwalo's Construction	08-Nov-18	R 5 126 298.02	1
BID 35/2018	Construction of Ngidini to Khangisa Access Road	Brainwave Projects 848 cc	05-Nov-18	R 5 344 117.53	1
BID 56/2018	Supply and Delivery of Agricultural Inputs (LAN - 2770 Bags)	Mnoza Investments	10-Dec-18	R 1 191 100.00	1
BID 43/2018	Township Establishent of 1328 Erven in Libode	Penathi Trading (Pty) Ltd	10-Dec-18	R 624 527.00	1
BID 36/2018	Rehabilitation of Bomvini Access Road	Manxeba Investments	10-Dec-18	R 1 794 927.47	1
BID 38/2018	Rehabilitation of Mafusini Access Road	Zizobobele Trade and Projects	12-Dec-18	R 1 665 264.98	1
BID 39/2018	Rehabilitation of Mhlahlane Access Road	Bunny Chicken	12-Dec-18	R 1 439 891.56	1
BID 44/2018	Supply and Delivery of Computers and Computer Equipment for a period of 1 Year	Siya and Lucky Trading Enterprise	12-Dec-18	R 0.00	1
BID 46/2018	Design and Printing of Quarterly newsletter for 2018-2019 Financial Year	Copy world Design and Print House	12-Dec-18	R 322 000.00	2
BID 45/2018	Provision of Electronic Document Management System	Khanya Africa Networks	12-Dec-18	R 968 089.00	1
BID 34/2018	Construction of Bantini to Kubhodi Access Road	LG Construction	12-Dec-18	R 5 011 365.01	2
BID 37/2018	Rehabilitation of Matolweni Access Road	Naqniswa Trading Enterprise (Pty) Ltd	12-Dec-18	R 1 738 862.68	1
BID 40/2018	Rehabilitation of Mamfengwini Access Road	TJ and Jackie Trading Enterprise	12-Dec-18	R 1 421 442.00	1
BID 41/2018	Rehabilitation of Mqunyeneni to Nolitha Clinic via Mphathiswa SPS Access Road	Matshatsha Civils	12-Dec-18	R 1 925 331.27	1



BID 51/2018	Supply and Delivery of Traction Sweeper	Macnay CC	15-Mar-19	R 177 734.80	4
BID 52/2018	Supply and Delivery of Protective Clothing	Sandisizwe Education	05-Apr-19	R 214 687.50	1
BID 09/2019	Supply and Delivery of Protective Clothing	Sakhulwazi Trading Enterprise	14-May-19	R 240 994.00	1
BID 12/2019	Supply and Delivery of Two (2) Tipper Trucks	Fleet Dynamics	07-May-19	R 2 335 811.00	6
BID 03/2019	Development of ICT Enterprise Architecture	SMS ICT Choice	07-May-19	R 401 005.00	1
BID 15/2019	Supply and Delivery of Skip Loader Truck	Shorts Nissan cc	07-May-19	R 1 112 009.75	0
BID 08/2019	Supply and Delivery of 2 burner stoves and full size 9 kg gas cylinders at Libodei - Cluster 2	Sifumba Trading	07-May-19	R 1 167 250.00	1
BID 06/2019	Refill and Delivery of 9 kg gas cylinders at Libode - Cluster 2	HMJ Group (Pty) Ltd	07-May-19	R 440 030.70	1
BID 05/2019	Refill and Delivery of 9 kg gas cylinders at Ngqeleni - Cluster 1	HVN Trading Enterprise	07-May-19	R 395 960.00	1
BID 07/2019	Supply and Delivery of 2 burner stoves and full size 9 kg gas cylinders at Ngqeleni - Cluster 1	Mabomvini Trading Enterprise	07-May-19	R 989 950.00	1
BID 11/2019	Supply and Delivery of Chip Spreader	Macnay CC	14-May-19	R 306 545.15	0
BID 10/2019	Supply and Deliveyr of Office Furniture	Ikamva Enterprise	07-May-19	R 279 450.00	1
BID 01/2019	Supply and Delivery of Microsoft Windows Server Software	SMS ICT Choice	15-May-19	R 160 074.12	1
BID 19/2019	Supply and Delivery of 1 Mini Excavator	Gadalani Trading Enterprise	07-Jun-19	R 1 138 500.00	1
BID 18/2019	Financial Management Support - Completeness Testing of all supporting documents for expenditure and quality review of AFS for the year ended 30 June 2019	Uyakhe Financial and Business Advisory Services	07-Jun-19	R 632 500.00	1
BID 52/2018	Supply and Delivery of Protective Clothing	Sandisizwe Education	05-Apr-19	R 214 687.50	1
				<b>R 45 891 494.18</b>	

#### AWARDS BELOW R200 000 BUT ABOVE R30 000

QUOTE NO	DESCRIPTION	AWARDED TO	APP. DATE	AMOUNT
NLM 36/2018	Supply and Delivery of Switches for Network Upgrade	sms ICT Choice	23-Nov-18	R 592 016.56
NLM 37/2018	Supply and Delivery of Fibre Optic Link for Traffic Department Building	Ayachuma Electrical	23-Nov-18	R 110 000.00
NLM 41/2018	Supply and Installation of Hand Dryers, hand Soap Dispensers and Other Equipment	Stibarol Projects (Pty) Ltd	14-Dec-18	R 152 300.00
NLM 45/2018	Supply and Delivery of Electrical Material	PTX Electrical	14-Dec-18	R 193 084.00
NLM 48/2018	Supply and Delivery of School Uniform (60 Learners)	Madlangathi Building and Civil	14-Dec-18	R 61 500.00
NLM 47/2018	Supply and Delivery of Protective Clothing for EPWP Employees	Lethunande Trading and Projects	07-Jan-18	R 105 000.00
NLM 46/2018	Supply and Delivery of Protective Clothing for EPWP Supervisors	Ayavuya Trading and Projects	07-Jan-19	R 51 672.00

NLM 43/2018	Supply and Delivery of Agricultural Inputs for 320 Households	Lethunande Trading and Projects	07-Jan-18	R 131 000.00
NLM 50/2018	Demolition of Existing Dry Wall, Supply and Installation of carpet	Madlangathi Buidling and Civil	31-Jan-19	R 108 700.00
NLM 03/2019	Supply and Delivery of 1 New Shipping Container	ATS Civils and Trading (Pty) Ltd	26-Feb-19	R 170 000.00
NLM 08/2019	Supply and Delivery of Tourism Exhibition Stall	O.G Media	29-Apr-19	R 126 724.29
NLM 06/2019	Consultant to Perform ICT Audit	Lunika Chartered Accountants and Auditors	03-Apr-19	R 138 000.00
NLM 05/2019	Supply and Delivery of Refuse Bags	Morrie Gee Spiral (Pty) Ltd	03-Apr-19	R 64 500.00
NLM 07/2019	Supply and Delivery of Road Block Trailer	Ikamva Enterprise T/A LSG Surveyor and Projects	17-Apr-19	R 196 247.50
NLM 12/2019	Supply and Delivery of Protective Clothing - Infrastructure Services	Sandisizwe Education	24-Jun-19	R 56 111.00
NLM 09/2019	Supply and Delivery of Uniform and Protective Clothing	Sandisizwe Education	24-Jun-19	R 118 321.00
NLM 10/2019	Supply and Delivery of Building Material for Zanokhanyo Rehabilitation Centre	Mzozoyana Trading (Pty) Ltd	24-Jun-19	R 37 044.34
NLM 13/2019	Supply and Delivery of Agricultural Inputs	Bandithi Construction and Trading	24-Jun-19	R 90 750.00
				<b>R 2 502 970.69</b>

### T5.13.1 GRAP COMPLIANCE

GRAP is the acronym for Generally Recognised Accounting Practice and provides the rules by which municipalities are required to maintain their financial accounts. GRAP will ensure that the municipal accounts are comparable and reflect more informative information for the municipality. The municipality has fully complied with GRAP in as far as the Budget and Annual Financial Statements.

## **CHAPTER 6: AUDITOR- GENERAL AUDIT FINDING T6.0.1:**

### **INTRODUCTION**

The Constitution S 188 (1)(b) states that the functions of the Auditor-General includes auditing and reporting on the accounts, financial statements and financial management of all municipalities. Section 126 (1) of Municipal Finance Management Act stipulates that the Accounting Officer of a municipality must prepare annual financial statements of the municipality and, within two months after the end of the financial year to which those statements relate, submit the statements to the Auditor –General for auditing. Section 45 of the Municipal Systems Act states that results of performance measurement in terms of section. 41(1) (c) must be audited as part of municipalities internal auditing processes and annually by Auditor- General. The Annual Final Statements and draft annual report were prepared and tabled to Council on 29 August 2017 and duly submitted to the Auditor-General within the prescribed time-frames. Restated Annual Financial Statements have been prepared are attached herewith

### **COMPONENT A: AUDITOR GENERAL OPINION OF FINANCIAL STATEMENTS (2017/18)**

The municipality received an unqualified audit opinion with matters in 2017/18 financial year. According to the Auditor –General, the financial statements were presented fairly in all material respects, the financial position of the Nyandeni Local Municipality as at 30 June 2018, and its financial performance and cash flows for the year then ended in accordance with GRAP and the requirements in accordance with GRAP and requirements of MFMA and DORA. Auditor-General found no material findings on the annual performance report concerning the usefulness and reliability of the information.

#### **T6.1.1 AUDITOR GENERAL REPORT 2017/18 ON FINANCIAL PERFORMANCE**

The Municipality has obtain Unqualified Audit Opinion with the following matters for the year ending 30 June 2018

- Irregular expenditure
- Restatement of corresponding figures

#### **Audit Action Plan to address matters raised by Auditor General**

No	AG Finding	Action/Activity	Responsible Person	Date	COMMENT
1	PROCUREMENT AND CONTRACT MANAGEMENT				

	<p>Procurement: SCM Policy in contravention with the SCM Regulation</p> <p>The SCM Policy of the municipality is in contravention with the SCM Regulations relating to catering as it states that only one written quotation for catering expenses for normal functions, due to a fixed standard price of R75 per meal subject to the size attendees.</p> <p>Also, the deviation from the SCM Regulations as detailed in the SCM Policy relating to Catering was not communicated to the National Treasury in terms of the Regulation three.</p>	<ul style="list-style-type: none"> <li>• Write correspondence to National Treasury requesting the following: <ol style="list-style-type: none"> <li>1. Informing National Treasury that the municipality has an approved SCM Policy with the capped prices for catering services, i.e. there is a standard amount for an ordinary plate as well as the VIP Plate.</li> <li>2. Requesting an approval of the deviation from SCM regulation 16(a) with regards to the capped prices for catering services</li> </ol> </li> </ul>	CFO	31 Jan 2019	
	<p>Procurement: Bid Adjudication Committee not composed in terms of SCM Regulation 29(2)</p> <p>The Bid Adjudication Committee (BAC) composition was not in term of the SCM Regulation 29(2) for the following bids awarded</p>	<ul style="list-style-type: none"> <li>• Ensure that the Bid Adjudication Committee is composed in accordance with SCM regulation 29(2).</li> <li>• Where it is not feasible to have all the senior</li> </ul>	SCM Manager/CFO	Quarterly	

	in the 17/18 financial year as the BAC was not composed in terms of the regulations.	<p>managers in the Bid Adjudication Committee, ensure that the municipality applies for Departures from Treasury Regulations or conditions to National Treasury.</p> <ul style="list-style-type: none"> <li>• Verify expenditure vouchers on a monthly basis to identify irregular expenditure</li> <li>• Identify the reasons for irregular expenditure</li> <li>• Forward the Irregular expenditure report to the Council on a quarterly basis</li> <li>• Perform an investigation to determine whether the irregular expenditure should be recovered or not , from any person or third party</li> </ul>			
<b>2</b>	<b>PROPERTY, PLANT AND EQUIPMENT:</b>				
	<p><b>1. Fixed asset register not updated correctly</b></p> <p>On audit work done during planning, it was noted that</p>	<ul style="list-style-type: none"> <li>• Ensure that asset register is updated on a monthly basis</li> <li>• Ensure that the asset register is</li> </ul>	Assistant Manager Asset Management/Budget & Reporting Manager and CFO	Quarterly	

	<p>assets which were allocated to a Former Senior Manager: Community services, still reflected as being under his control in the Fixed asset register at 30 June 2018.</p> <p>This indicates that the fixed asset register was not properly updated. This could also be an indication that the assets were not verified at year end as the FAR reports location of where the asset was last verified</p>	<p>verified on a quarterly basis</p> <ul style="list-style-type: none"> <li>• Ensure that proper reconciliation between the FAR, the location of the assets as well as the general ledger is done on a monthly basis.</li> </ul>			
	<p><b>2. Differences between FAR and the Annual Financial Statements</b></p> <p>During the testing performed on PPE, it was noted that the amount in FAR do not agree with the amount disclosed on the AFS.</p>	<ul style="list-style-type: none"> <li>• Ensure that reconciliation is done between the Fixed Asset Register and General Ledger</li> <li>• Investigate any variances and errors and update the FAR and General Ledger.</li> <li>• Review the Annual Financial Statements and ensure that the FAR agree to the disclosed amount.</li> </ul>	Assistant Manager Asset Management / Budget & Reporting Manager and CFO	Quarterly	

	<p><b>3. Work in progress</b> During the testing performed on work in progress: it was noted that the audited work in progress amount does not agree with the amount disclosed on the AFS and on the WIP register.</p>	<ul style="list-style-type: none"> <li>• Compile the detailed project listing for each project.</li> <li>• Update the WIP Register and reconcile it to the general ledger as well as project listing</li> <li>• Reconcile the WIP Register to the amount disclosed in the annual financial statements</li> </ul>	Accountant Asset management/ Assistant Manager Asset Management/ Budget & Reporting Manager	Quarterly	
	<p><b>4. Incorrect recording of the cost of completed projects on the asset register</b> During the audit of PPE Additions, it was discovered that there were projects capitalised incorrectly:</p>	<ul style="list-style-type: none"> <li>• Compile the detailed project listing for each project.</li> <li>• Perform the reconciliation between the actual expenditure paid and the capitalised amount</li> <li>• Perform the reconciliation between Bill of quantities, completion certificates, close-out reports as well as the FAR</li> <li>• Perform physical verification of infrastructure assets as well as moveable assets</li> <li>• Identify low life assets and review the useful life</li> </ul>	Assistant Manager Asset Management / Budget & Reporting Manager and CFO	Quarterly	

		<ul style="list-style-type: none"> <li>Identify low life assets and provide for impairment for both moveable and immovable assets for all fully depreciated and redundant assets.</li> <li>Update the FAR and reconcile it to the Annual Financial Statements.</li> </ul>			
	<p><b>5. Overstatement of Depreciation</b> During the audit of PPE and recalculation of depreciation for the entire asset register, it was noted that depreciation was overstated.</p>	<ul style="list-style-type: none"> <li>Perform the depreciation calculation and update the accumulated depreciation on Promun</li> <li>Reperform the depreciation calculation to ensure that it is accurately calculated.</li> <li>Ensure that the review of useful life of an asset on Promun is captured and configured correctly.</li> <li>Ensure that the disclosed amount of the current year depreciation as well</li> <li>, the data on Promun is captured and configured correctly</li> </ul>	Assistant Manager Asset Management / Budget & Reporting Manager and CFO	Quarterly	



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#### T6.1.2 AUDITOR GENERAL ON SERVICE DELIVERY PERFORMANCE 2017-2018

There were no material findings on pre-determined objectives. Two material variances were corrected immediately

#### COMPONENT B: AUDITOR GENERAL OPINION 2018/19

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#### T6.2.1 AUDITOR GENERAL REPORT ON FINANCIAL PERFORMANCE 2018/19

Number	COA F no.	Finding	Detailed Finding	Action	Official Responsible	Implementation Date	Due date	Progress %
Property, Plant and Equipment								
1	CAO F 3	PPE amounts per FAR do not agree to the TB and AFS amounts	Property, plant and equipment amounts per FAR do not agree to the amounts disclosed in the Annual financial statements.	<ul style="list-style-type: none"> <li>Agree the opening balances from Fixed Asset Register to the Trial Balance to the Annual Financial Statements</li> <li>Investigate any variances and perform between the FAR and the General Ledger &amp; Trial Balance</li> <li>Analyse the impact of the variances</li> <li>Prepare a report for clearing the variances, including submission of the report to the Council for write off any usual items after investigation</li> </ul>	AM Asset Management/Manager Budget & Reporting/CFO	Quarterly	31 March 2020	
		Fixed asset register contain assets with negative carrying amount balances	Scanned the Fixed asset register and noted that some of the following assets had carrying amounts with negative balances	<ul style="list-style-type: none"> <li>Review the FAR to identify any assets that have zero values when comparing the cost and accumulated depreciation.</li> <li>Ensure that all depreciable assets depreciate within the relevant useful lives each year</li> <li>Ensure that carrying amounts are reflect the</li> </ul>	AM Asset Management/Manager Budget & Reporting/CFO	Quarterly	31 March 2020	

Number	COA F no.	Finding	Detailed Finding	Action	Official Responsible	Implementation Date	Due date	Progress %
				<p>correct balances all the time</p> <ul style="list-style-type: none"> <li>Ensure that the asset module system indicates whenever there are red flags i.e. where the asset depreciates more than its cost</li> </ul>				
2.	COA F 10	P.P.E- Useful lives of assets with carrying amount zero and below not correctly assessed	The useful lives of assets with carrying zero and below have not been correctly assessed at year-end.	<ul style="list-style-type: none"> <li>At the beginning of the year, perform the assessment for revision of useful lives</li> <li>Ensure that there is a clear methodology, detailing the process flow, and the remaining useful life for each asset</li> <li>Ensure that there are no assets with negative carrying amounts as a result of not reviewing the useful lives</li> <li>Identify any assets that may require disposal, and submit the report for approval</li> <li>Once the disposal is approved and processed, ensure that the profit &amp; loss on disposal is analysed for accuracy and reasonability</li> </ul>	AM Asset Management/Manager Budget & Reporting/CFO	Quarterly	31 Marc 2020	
3.	COA F 10	Depreciation not correctly calculated	During the audit of additions, it was noted that the depreciation has not been correctly calculated	<ul style="list-style-type: none"> <li>Ensure that the method of calculating the depreciation is consistent with the prior years, and is in line with the policy</li> <li>Perform the calculation of the depreciation to ensure accuracy, and verify the</li> </ul>	AM Asset Management/Manager Budget & Reporting/CFO	Quarterly	31 Marc 2020	

Number	COA F no.	Finding	Detailed Finding	Action	Official Responsible	Implementation Date	Due date	Progress %
				<p>amounts to be posted</p> <ul style="list-style-type: none"> <li>• Test reasonableness of the depreciation amount</li> <li>• Perform analytical review on the depreciation i.e. comparing to prior years, by asset grouping, and in relation to the additions and disposals for the year</li> </ul>				
PROCUREMENT OF GOODS & SERVICES AND CONTRACT MANAGEMENT								
4.	COA F 6	Supply Chain Management - Prohibited supplier	The municipality appointed a supplier that is prohibited from doing business with the state for the period of 12 September 2016 to 11 August 2021	<ul style="list-style-type: none"> <li>• Print the list of restricted suppliers from the database on Treasury Website as at when there is an award to be finalised</li> <li>• Inspect the list of restricted suppliers to ensure that the preferred suppliers for award are not restricted</li> <li>• Date stamp the printed list of restricted suppliers to ensure that such list aligns with the dates of the award</li> </ul>	SCM Manager/CFO	Quarterly	31 March 2020	
5	COA F 8	Local content – Non-compliance PPR 8(5)- Irregular expenditure (Issue 15)	During the audit of procurement: local content, the winning service provider did not furnish the Municipality with the declaration on local production and content and thus it was impossible to determine	<ul style="list-style-type: none"> <li>• Ensure that the advert details all the requirements as per preferential procurement policy regulations</li> <li>• Inspect all the disclosure forms by the service providers i.e. MBD forms for compliance, including local content requirements</li> <li>• Verify that all the MBD forms as stipulated are attached in the</li> </ul>	SCM Manager/CFO	Quarterly	31 Mar 2020	

Number	COA F no.	Finding	Detailed Finding	Action	Official Responsible	Implementation Date	Due date	Progress %
			whether or not the winning provider meets the minimum stipulated threshold for local production and content.	<ul style="list-style-type: none"> <li>tender document / proposal in relation to seven days' notice.</li> <li>Ensure that the policy is in line with the preferential procurement policy regulations.</li> </ul>				
RETENTIONS								
6.	COA F 11	Retention misstatement	Upon testing the accuracy of the retention (the opening balance; current year movement and the closing balance), it was confirmed that the retention amount was calculated incorrectly	<ul style="list-style-type: none"> <li>Ensure that retention monies are calculated in line with the retentions policy</li> <li>Check the completion certificates for accuracy to ensure that retention monies are recorded properly</li> <li>Ensure that the register of retentions is reconciled to the general ledger</li> <li>Ensure proper disclosure of the retention monies in the annual financial statements</li> </ul>	PMU Manager/ Maintenance Manager/ AM Asset Management/Budget & Reporting Manager	Quarterly	31 Mar 2020	
CASH AND CASH EQUIVALENTS								
7.	COA F 12	Cash and cash equivalents- Stanlib Accounts not reconciled	As per the audit of cash and cash equivalents it was noted that three Stanlib accounts were shown in the cash	<ul style="list-style-type: none"> <li>Verify with Stanlib Bank whether all these accounts were actually closed through bank confirmations</li> </ul>	Accountant Budget & Reporting/Budget & Reporting Manager/CFO	Quarterly	31 March 2020	

Number	COA F no.	Finding	Detailed Finding	Action	Official Responsible	Implementation Date	Due date	Progress %
			book even though the accounts were closed in 2017, the bank statements column as per the AFS show an amount of Zero and no reconciling items could be tested.	<ul style="list-style-type: none"> <li>• Ensure that the bank statements are obtained from the bank for accuracy</li> <li>• Review the monthly bank reconciliations for accuracy</li> <li>• Investigate any untraceable balances in the general ledger</li> <li>• Request the Council Approval for any abnormal balances</li> <li>• Clear and write off all these untraceable balances after the Council Approval</li> </ul>				

#### RELATED PARTIES TRANSACTIONS

8	COA F 24	Related Parties: Transactions disclosed are incomplete	When inspecting the debtors age analysis, noted undisclosed related parties' transactions .	<ul style="list-style-type: none"> <li>• Inspect the debtors age analysis, and identify any related transactions such as: <ol style="list-style-type: none"> <li>1. Councilors that owe the municipality at year</li> <li>2. Senior Management Officials that owe the municipality</li> <li>3. Disclose such monies</li> </ol> </li> </ul>	Budget Reporting & Manager/CFO	Quarterly	30 June 2020	
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Number	COA F no.	Finding	Detailed Finding	Action	Official Responsible	Implementation Date	Due date	Progress %
				in the Annual Financial Statements at year end				
Employee Related Cost								
9	COA F 5	Understated employee related costs	During the reconciliation performed between note 30 of employee related costs to the annual financial statements and the Municipality's payroll report differences were identified for most item description disclosed.	<ul style="list-style-type: none"> <li>Run payroll reports on a monthly basis, and reconcile the payroll report against the general ledger.</li> <li>Review the reconciliations on a monthly basis</li> <li>Tie the trial balance with the financial statements</li> <li>Ensure disclosure is made properly.</li> </ul>	Payroll Accountant/ Budget & Reporting manager/CFO	Quarterly	30 June 2020	
AOPO								
10	COA F 7	1. ISS.16 -COAF 07: Performance information in the APR is presented in a manner that is not understandable	Management should adjust the APR in order to ensure that the annual targets meet the SMART criteria (Specific, Measurable, Achievable, Relevant & Time-bound) and the performance indicators are reliable	<ol style="list-style-type: none"> <li>The Revised SDBIP 2019/20 will factor in the SMART principles as per suggestions by AG</li> <li>The indicator descriptors will also be done during revised SDBIP.</li> <li>Further any amendments will be</li> </ol>	1. ALL Senior Managers, M&E, IDP Manager	1. February 2020  2. February 2020  3. June 2020  4. June 2020	1. February 2020  2. February 2020  3. June 2020  4. June 2020	

Number	COA F no.	Finding	Detailed Finding	Action	Official Responsible	Implementation Date	Due date	Progress %
			and well-defined.  1. Issue relating to indicator not being well-defined and performance indicators not defined so that data will be collected consistently still remain as auditor disagrees with management's responses. 2. Auditor agrees with management regarding the targets that are not specific, however disagrees regarding the following targets and finding remains for these as they are not specific i.e. Chophetyeni to Luthubeni AR, Mthebelezi to Ntapane, Goli AR, Lwandile AR, Dungu to Bungu AR) 3. Auditor agrees with management regarding the targets that are not measurable, however disagrees regarding the following	factored in during the second budget adjustment  4. During planning for 2020/2021, all indicators and targets will be reviewed and quality checked against the SMART criteria including making sure that necessary headings are effected.  5. The revised SDBIP 2019/20 and SDBIP 2020/2021 will be forwarded to AG for comments  6. Further, the municipality will be part of the COGTA National workshops in line with circular 88 as common indicators and descriptors are developed for uniformity.		5. February 2020 and June 2020  6. Starting from February to June 2020	5. February 2020 and June 2020  6. Starting from February to June 2020	

Number	COA F no.	Finding	Detailed Finding	Action	Official Responsible	Implementation Date	Due date	Progress %
			targets and finding remains for these as they are not measurable i.e. Chophetyeni to Luthubeni A/R, Mthebezi to Ntapane, Goli AR, Lwandile AR, Dungu to Bungu AR).					
11.	COA F 7	6. ISS.18 -COAF 07: AoPO - Information presented in APR not agreeing to source documents	<p>As per the APR km's maintained are 34,2 km whilst per certificates of work completed km's maintained are 33,2 km</p> <p>There must have been a shortage or loss of some documents between movement of documents between NLM and Auditors. However the completion certificates totaling 35,3 km are attached for your perusal and even site verification can further assist. We will therefore adjust from</p>	The APR will and POE's will be quality checked to ensure completeness before submission for quality assurance and AG.	. ALL Senior Managers, M&E, IA	quarterly	June 2020	



Number	COAF no.	Finding	Detailed Finding	Action	Official Responsible	Implementation Date	Due date	Progress %
			34,2 to 35,3 kilometers.					
12.	COAF 7	7. ISS.18 -COAF 07: AoPO - Information presented in APR not agreeing to source documents	<p>As per the APR km's maintained are 33 km whilst per certificates of work completed km's maintained are 24,5 km.</p> <p>There must have been a shortage or loss of some documents between movement of documents between NLM and Auditors. However the completion certificates totaling 33 are attached for your perusal and even site verification can further assist.</p>	The APR will and POE's will be quality checked to ensure completeness before submission for quality assurance and AG	. ALL Senior Managers, M&E, IA	quarterly	June 2020	
12.	COAF 26	8. ISS.37 -COAF 26: AOPO - Target completed in the prior year	The annual performance report includes a target (Final Approval Certificate of 6 km at Polar Park A/R in Ward 26) which was completed and reported in the previous financial years.					

Number	COA F no.	Finding	Detailed Finding	Action	Official Responsible	Implementation Date	Due date	Progress %
13.	COA F 26	INDICATOR (not well defined)	TARGET	The Revised SDBIP 2019/20 will factor in the SMART principles as per suggestions by AG. All indicators will be reviewed during planning for 2020/2021	1. ALL Senior Managers, M&E, IDP Manager	February 2020; June 2020	February 2020; June 2020	
		Detailed Progress Report	Construction of 11 km Ngidini to Khangisa Access Road in Ward 18  Project 70% (Average) Complete  Site Establishment 100%  Site Clearance 100%  Layer works 80%  Drainage and Pipe Culverts 30%					
		Detailed Progress Report	Project 70% Complete  Site Establishment 100%  Layer works 80%  Drainage and Culverts 30%					
Revenue and Receivables								
14.	COA F	Material Losses-Trade Debtors	As disclosed in note 5 to the financial statements material impairment allowances of R15,3 million were	•				

Number	COA F no.	Finding	Detailed Finding	Action	Official Responsible	Implementation Date	Due date	Progress %
			made against receivables from non-exchange					

#### **T6.2.2 AUDITOR GENERAL REPORT ON SERVICE DELIVERY PERFORMANCE 2018/19**

Non Compliance	Remedial Action Taken
Targets not well defined	Review all target during the Mid-year assessment
Targets were not measurable and specific	Review all target during the Mid-year assessment
Target were not consistent with the planned target	the target have been adjust

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#### **T6.2.3 AUDITOR GENERAL REPORT ON FINANCIAL STATEMENTS 2018/19**

In my opinion, the financial statements were presented fairly, in all material respects, the financial position of the Nyandeni Local Municipality as at 30 June 2019, and its financial performance and cash flows for the year then ended in accordance with South African Standards of Generally Recognized Accounting Practice (GRAP) and the requirements of Municipal Finance Act of South Africa (MFMA and Division of Revenue Act of South Africa, 2014 (Act No. 1 of 2015) (DORA) Source: AGSA

#### **T6.2.4 COMMENTS ON AUDITOR GENERAL OPINIONS 2018/19**

The municipality is committed to address issues reflected by Auditor General Report. In this regard, Audit action plan has been developed and will be monitored on a quarterly basis

#### **T6.2.5 COMMENTS ON MFMA SECTION 71 RESPONSIBILITIES**

The Municipality can confirm that all section 71 reports have been submitted timeously to the Treasury in year 2018/19